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1951

STATE LEGISLATION

AFFECTING

THE REA PROGRAM

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1951 STATE LEGISLATION AFFECTING THE REA PROGRAMS

Foreword. This report is not intended, nor should it be used, to serve as a definitive presentation of all relevant State legislation considered at the 44 regular sessions and the 16 special sessions of State legislatures which were held during 1951. Its purpose is rather to put the REA staff on notice as to legislative developments affecting the REA programs so that they may be given appropriate consideration in connection with the discharge of administrative responsibilities. For detailed information as to the effect of enactment of the bills noted herein, inquiry should be made of the Office of the Solicitor. Copies of most of the bills reported, whether enacted or not, are available for examination in this office.

Formulation of Legislative Programs. During the Fall of 1950, all line divisions and the Office of the Solicitor were requested to submit brief statements of problems which appeared to require legislative solution and to recommend such legislation as was deemed necessary for the support and advancement of the REA programs in each of the States. These recommendations were correlated in this office and outlines of legislative programs to be submitted to borrowers and their State organizations were developed. These outlines were then considered by the Legislative Coordinating Committee in a series of meetings with the section heads of each of the line divisions, and representatives of the Information Services Division and of the Office of the Solicitor. At these meetings, decisions were made as to the legislative program to be recommended for consideration in each State and as to the agency to which the program would be submitted. Members of the Solicitor's staff prepared drafts of legislation as required. These were submitted to State associations of borrowers, farm organizations and others for consideration and comment, either by mail or by conference here in Washington or in the field. Numerous other matters were brought to our attention which required statutory changes and for which drafts of bills were prepared. Arrangements were made in as many States as possible for furnishing this office with copies of bills affecting the programs, as they were introduced, and for periodic reports as to their status and progress. With some few exceptions, the recommendations made were adopted by the agencies to which they were submitted and legislation carrying them out was sponsored. Periodic synopses were furnished by this office to all staff members who had participated in the formulation of the legislative programs, showing the status and disposition of the legislation. This report is a final summarization of developments noted in the interim reports.

Informational Sources. During the sessions, excellent cooperation was received from both the Washington and field personnel of the line divisions, and from the Information Services Division and the Office of the Solicitor in supplementing the very valuable information received from legislative contacts in the States. In addition to these sources, this office obtained direct access to lists of bills as introduced and reviewed more than 65,000 bill titles to identify those affecting the programs. Several thousands of bills were obtained from various sources and analyzed, the services of the Solicitor's staff being utilized where necessary for this purpose.

Organization of Report. The body of the report is organized on the basis of the REA sections, and includes legislation sponsored by REA borrowers and their State associations and other farm and rural groups, listed under the heading "A. Affirmative"; legislation identified as adversely affecting the REA programs, listed under "B. Defensive"; and legislation of a general nature on subjects related to the REA programs, listed under "C. Collateral". The third category includes bills which may directly affect the operations of commercial telephone borrowers, as well as bills of interest to cooperative electric and telephone systems. The following are the highlights of the legislative developments at the 1951 sessions.

Rural Electrification Legislation - Affirmative.

Model Act. Enactment of the latest (1949) revision of the Electric Cooperative Act was not sought in any of the States which held sessions in 1951. Twenty-nine States have adopted one version or another of the model act to date.

Amendatory Legislation. Amendatory bills to permit staggered terms for cooperative directors were enacted in Alabama, Alaska and Tennessee, and failed to pass in Florida. Colorado amended its cooperative law to clarify and facilitate cooperative organization and operation. Clarifying legislation amending the Missouri Electric Cooperative law was pending at the close of fiscal 1951. The North Dakota legislature enacted amendatory legislation authorizing electric cooperatives to sell energy at wholesale and to enter into power interchange arrangements. At the request of the rural electric systems, Indiana passed legislation authorizing them to assist in rural telephone development and amending the electric cooperative laws in other respects.

Taxation. The South Carolina tax exemption of the property of electric cooperatives was made permanent and sales of electricity were exempted from the two percent sales tax.

Electrical Construction. Legislation facilitating the construction of 24.9/14.4 kv electric lines by authorizing an exception to the clearance requirements of the National Electrical Safety Code was adopted in Arizona, Montana, and South Dakota. A South Dakota bill clarifying the electric cooperatives' position as to inductive interference with telephone systems failed. Oklahoma enacted a bill liberalizing length limits for pole-hauling vehicles.

Rights-of-Way. In Iowa and Michigan, electrification borrowers successfully sponsored legislation giving them the right of eminent domain. South Dakota enacted a bill authorizing county-wide permits for use of highways for rural electric lines. The Minnesota and Oklahoma rural electric systems were unsuccessful in their effort to liberalize laws covering easements over state lands. Oklahoma also considered and failed to enact legislation relieving cooperatives of the burden of removing lines due to road reconstruction where the county failed to locate missing or obliterated section corners and legislation permitting county clerks to record and index cooperative easements at actual cost.

Commission Regulation. California legislation specifically exempting electrification borrowers from commission jurisdiction failed despite a vigorous, widely publicized campaign.

Miscellaneous. Amendments relating to chattel mortgages of cooperatives were passed in Colorado, Florida, and Oklahoma, but failed in Alaska. Bills to prohibit the "pirating" of members of electric cooperatives were unsuccessfully sponsored by electrification borrowers in California, Idaho, Missouri, and Ohio. In Minnesota, laws were passed validating certain electric cooperative stock issues and permitting rural electric cooperatives to form mutual windstorm insurance companies. A Consumers Power District bill failed in Minnesota, as did South Dakota bills to repeal and reenact the 1950 Power District Act.

Rural Electrification Legislation - Defensive.

Commission Regulation. In Iowa, Montana, Nevada and South Carolina, bills to place REA borrowers under the jurisdiction of state regulatory commissions encountered strong opposition by the rural electric systems and failed to pass. In New Hampshire, an act giving the Public Service Commission jurisdiction over electric cooperatives was enacted. The Florida legislature enacted legislation subjecting commercial electric utilities to State Commission regulation for the first time but exempting cooperatives and municipalities.

Electrical Licensing and Inspection. Legislation relating to the licensing of electricians and electrical contractors or providing for electrical wiring inspection passed in Minnesota, North Carolina, South Dakota, and Tennessee but failed in Delaware, Idaho, Iowa, Kansas, Maryland, Missouri, New Hampshire, Washington, and Wisconsin.

Taxation. The three percent sales tax enacted in Georgia provided no exemption for electric cooperatives. The Nebraska legislature rejected a sales tax proposal which would have taxed sales of electricity and telephone service. Colorado created a commission to study the question of cooperative taxation. In Arkansas, Montana and Washington, bills imposing new tax burdens on the rural electric systems were defeated.

Rights-of-Way. A Nebraska bill which would have required notice to all adjoining property owners before an easement for electric lines could be obtained was successfully opposed by rural electric systems.

Rural Telephone Legislation.

Telephone Cooperative Enabling Legislation. Bills to enact comprehensive rural telephone cooperative enabling laws were introduced in eight States during the 1951 sessions - in Arkansas, Colorado, Florida, Indiana, Kansas, Missouri, Oklahoma, and South Carolina. Only the Arkansas and Indiana bills were enacted; these contained several burdensome provisions. The Oklahoma bill passed the legislature despite determined opposition, but it was vetoed by the Governor. The Missouri and South Carolina bills were pending at the close of the

year. The bills which were introduced in the legislatures of Colorado and Kansas contained undesirable provisions which would adversely affect the development of the rural telephone programs in these states and were successfully opposed by interested rural groups. In South Dakota the Cooperative Associations' Act was amended to facilitate the organization of telephone cooperatives. A Michigan bill to amend the corporation laws to permit formation of nonprofit telephone companies failed. The Alabama legislature amended the 1949 rural telephone cooperative act.

Commission Regulation. The Wisconsin legislature enacted a law exempting certain obligations of REA telephone borrowers from the jurisdiction of the Public Service Commission. Legislation placing telephone cooperatives and, in some instances, commercial telephone companies under commission jurisdiction or requiring certificates of convenience and necessity was enacted in Indiana, Kansas, Nebraska, Ohio, and South Dakota. Similar legislation failed in Florida, Iowa, Oregon, and Pennsylvania.

Miscellaneous. A North Dakota bill which would have authorized the State Bank to make telephone loans failed of enactment.

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1951 Maine Legislation - Final Report
Session: January 3 to May 21, 1951

Governor's Message

The following excerpt is from the message of Governor Frederick G. Payne to the Maine Legislature:

"Water Power --- in any consideration of amendments to the so-called Fernald Law to permit the export of surplus hydro-electric power, we must be certain that the needs of our State and its people are fully protected at all times.

"There will be presented at this session a measure calling for continuance of the Passamaquoddy Authority."

A. Affirmative

No affirmative program of legislation was recommended to or undertaken by REA borrowers.

B. Defensive

Sales and Use Tax - H. 1695, approved May 3, 1951, Chapter 250, establishes a new two percent sales and use tax which would also be applicable to the sales of electricity.

C. Collateral

Posts and Wires - S. 560, approved May 11, 1951, Chapter 304, effective August 20, 1951, amends Revised Statutes, Chapter 46, Section 31 relating to procedure for permits for the construction of utility lines.

Passamaquoddy District Authority - S. 277 establishing a Passamaquoddy District Authority is reported to have been enacted (Local Laws, Ch. 65).

1951 New Hampshire Legislation - Final Report
Session: January 3 to August 31, 1951

Governor's Message

The following excerpt is from the January 4, 1951 message of Governor Sherman Adams to the New Hampshire Legislature:

"Public Service Commission and the Utilities

"You have provided for a committee to review thoroughly the laws under which the Public Service Commission operates. In addition, Governor and Council have taken the responsibility of adding to the duties of this committee by requesting an inquiry into the facilities available to the Commission. I have already given attention to the reorganization of the Commission. Equally as important the changes which will be recommended by the committee to this Legislature deserve a thorough-going study and constructive action. The activities of the Commission and the laws under which it operates affect the welfare of almost every New Hampshire citizen, and certain changes in this department have been long overdue."

A. Affirmative

No affirmative legislative program was undertaken by the REA borrowers in the State of New Hampshire. The requirement of Section 10 of the Cooperative Marketing Associations Act which had been interpreted by the Office of Solicitor to require the vote of a majority of all members in order to amend bylaws was brought to the attention of one borrower. It was also informed that it would be necessary to amend the Cooperative Marketing Associations Act if that act were to be used for the organization of telephone cooperatives. It was decided not to seek amendatory legislation at this session of the legislature in view of the pending commission jurisdiction bill (see below).

B. Defensive

Enacted:

Public Utilities Commission - H.B. 345, approved August 7, 1951 and effective September 1, 1951, generally revising the New Hampshire public utility law, changes the name of the regulatory commission from the "Public Service Commission" to the "Public Utilities Commission" and places the rural electric cooperatives under the jurisdiction of the Commission. The act makes numerous other changes in the existing law including provisions requiring every public utility to report to the Commission before making any substantial addition, change or improvement in its property; giving the Commission jurisdiction over the issuance of permanent financing and short-term obligations of public utilities; authorizing the Commission to require a public utility to file a bond to secure repayment to its customers of any excess amounts collected by the utility under temporary rates higher than finally established permanent rates.

Officials of New Hampshire Electric Cooperative appeared before the House Judiciary Committee in opposition to provisions placing electric cooperatives under the jurisdiction of the Public Utilities Commission. During consideration of the bill in the House, on July 18, Rep. Wadleigh offered an amendment to strike out the provisions of the bill placing electric cooperatives under the jurisdiction of the Commission. This amendment was defeated by a vote of 116 to 192.

Failed:

New Hampshire Electrical Law - S.B. 52, providing for the licensing and registration of electricians and the regulation and inspection of electrical installations, was killed in the Senate.

Electrical Tax - H.B. 460, imposing a one mill per KWH tax upon electrical energy generated or imported into the State, died in the House.

C. Collateral

Enacted:

Connecticut River Flood Control Compact - H.B. 396, ratifying the compact between the Commonwealth of Massachusetts and the States of Connecticut, New Hampshire and Vermont which establishes "The Connecticut River Valley Flood Control Commission", approved August 2, 1951. The principal purposes of the compact are: (a) to promote interstate comity among and between the signatory States; (b) to assure adequate storage capacity for impounding the waters of the Connecticut River and its tributaries for the protection of life and property from floods, and (c) to provide a joint or common agency through which the signatory States may more effectively cooperate in accomplishing the object of flood control and water resources utilization in the basin of the Connecticut River.

(For action of other States affected, see:

Connecticut - Laws 1951, S.B. 758, approved July 10, 1951, Public Act 297

Vermont - Laws 1951, H.B. 331, approved May 9, 1951, Act 244

Massachusetts - Laws 1951, S. 702, approved September 25, 1951, Ch. 692)

Licensing of Engineers - H.B. 285, generally amending the professional engineers registration law.

Failed: H.B. 125, prohibiting public utilities from directly or indirectly engaging in the sale of electrical appliances.

H.B. 270, establishing the New Hampshire Power Authority, with power to generate and distribute power.

H.J. Res. 4, memorializing Congress in favor of the St. Lawrence development.

1951 Vermont Legislation - Final Report
Session: January 3 to May 18, 1951

Governor's Message

The following excerpt is from the January 4, 1951 message of Governor Lee E. Emerson to the Vermont Legislature:

"Power. In spite of the unsettled world conditions under which we live, we must continue to plan for our future economic well being and the subject of power, in my opinion, is one that merits very careful consideration by this Legislature. Demand for more power doubles itself very rapidly. If we are to give anything more than lip service to the idea we should keep young Vermonters in the state, further power development must go hand in hand with economic development...

"I recommend:

- A. Re-development of existing power projects and development of feasible power sites, where possible, without doing substantial injury to agriculture.
- B. Flood control dams to be used for water storage, for power purposes, where they can properly serve that purpose and state policy in the future that they be built for this dual purpose where practicable.

There is now being proposed to build a flood control dam in the Town of Victory having as one phase of its development the storage of water for power purposes. The location is ideal for both purposes and also for recreation. This over-all construction cost of such a multi-purpose dam would be around \$3,000,000 and to build it, very little critical war material would be needed. Three situations present themselves in connection with the possible erection of such a dam. (1) The Federal Government might build it, pre-empt the income to be derived from the power phase of it, and leave the states to be affected by its flood control features to regulate that problem by interstate compact, or in the absence of an agreement on such a compact, deal with the flood control phase at the National level. (2) The dam might be built by interstate compact, subject to the approval of the Congress. (3) The state could build the dam and appropriate the income, which I understand might be considerable, towards the payment of costs and eventual lowering of electric rates for our people.

"We here in Vermont are prone to be jealous of our sovereignty and to inveigh against Federal encroachments upon it. This is as it should be. However, as an over-all thought, we should keep in mind that to the extent we do for ourselves, we keep the Federal government from pre-empting the field. Flood control and incidental storage of water for power purposes I conceive to be legitimate state activity. The idea of a planned system of such storage dams to prolong stream flow I feel to be a meritorious one.

"You may wish to implement the Public Service Commission or some other established state agency with authority to look into and study these matters and take such action relating thereto as you may authorize it to take. You may feel that now is not the opportune time to take such action thereon. The question is posed for you to give it careful and considered analysis and decision in the best interest of the people of our state.

- C. Development of firm sources of power by the utility or tie-in with a firm source of power sufficient to cope with the conditions which heretofore have resulted in black-outs, dim-outs, or brown-outs in certain sections of the state.
- D. Submission of data by the utility to the Public Service Commission of its anticipated growth for the next decade and its plans to meet that growth.
- E. Authority to the Public Service Commission to determine and order where needed, high power transmission lines to be built or rebuilt, to integrate utility systems, for the purpose of insuring firm and reasonable cost sources of power; authority to allocate costs of construction or rebuilding according to the benefits received and if the affected utility or utilities claim they are unable to secure funds to finance the same and the Public Service Commission so determines, then there should be submitted to the Legislature the question of the state guaranteeing the cost to be paid out of the utility revenues. In the event that St. Lawrence seaway power ever becomes available to us, the importance of an integrated system in permitting the Public Service Commission to competently operate as the bargaining, receiving and distributing agency for and in behalf of the private, municipal and cooperative systems in Vermont, is self-apparent."

A. Affirmative

REA borrowers in Vermont did not undertake to sponsor an affirmative program of legislation in the 1951 session of the Vermont legislature. In connection with the rural telephone program consideration was given to sponsoring legislation to exempt telephone cooperatives from the jurisdiction of the Public Service Commission. However it was decided, because of an unfavorable legislative situation, not to seek such legislation.

Corporations - H. 121 approved March 1, 1951, Act 119, amends Section 5766, Vermont Statutes, 1947, relating to amendment of the articles of association by incorporators. The amendment adds a new subdivision VI to provide that if the corporation has not had its first organizational meeting and elected officers it may amend its articles of association by filing a certificate of amendment signed by all of the incorporators indicating that the amendment has been adopted by a unanimous vote.

B. Defensive

Failed:

Electrical Energy Tax - H. 269, amending Section 1164, Vermont Statutes, 1947, increasing the excise tax on electrical energy from one-half mill per kilowatt hour to one and one-half mills per kilowatt hour, passed House but was killed in the Senate.

C. Collateral

Enacted:

Connecticut River Flood Control Compact - H. 331, approved May 9, 1951, Act 244, ratifies the compact between the Commonwealth of Massachusetts

and the States of Connecticut, New Hampshire and Vermont which establishes "The Connecticut River Valley Flood Control Commission."

(Same as H.B. 396, New Hampshire. For action by other States affected see: New Hampshire - Laws 1951, H.B. 396, approved August 2, 1951

Connecticut - Laws 1951, S.B. 758, approved July 10, 1951, Public Act 297

Massachusetts - Laws 1951, S. 702, approved September 25, 1951, Ch. 692)

Public Service Commission - H. 305, designating the Public Service Commission as the planning agency of the State for the purpose of obtaining all the communities and localities in the State proper utility service at minimum cost under efficient and economical management, approved April 13, 1951, Act 193. Section 3 of this act provides that the commission shall act as the agent of the State in any negotiations or arrangements for the procurement of electric energy from any source outside of the State of Vermont with the right to contract for the purchase of such power and the resale on a nonprofit basis of such power to the electric distribution companies, cooperative, municipal and privately owned, without preference or discrimination, for distribution within the State."

Cumulative Voting for Directors - H. 68, amending Section 5784, Vermont Statutes, 1947, to permit cumulative voting for directors, approved May 18, 1951, Act 122.

Failed:

Public Service Commission - Green Mountain Division - S. 13, creating the "Green Mountain division of the public service commission" was withdrawn from the Senate. The division would have had all the powers of a public corporation. Its purpose would have been to: (a) develop plans for the utilization of the water resources of the State; (b) to act as agent for the purchase, sale and transmission of power to be made available from the St. Lawrence development; (c) to construct and operate hydroelectric plants; and (d) to construct and operate fuel electric plants.

Electrical Energy - Investigating Committee - H. 35, creating a joint legislative committee to investigate production and sale of electrical energy and the possibility of obtaining for Vermont, such energy at low rates, was withdrawn. The committee would have been authorized to confer with the New York State Power Authority on the availability of power to be produced by the construction of hydroelectric projects on the St. Lawrence River.

Undeveloped Hydro Resources - S. 28, authorizing the State Water Conservation Board to report on undeveloped hydro resources, was withdrawn.

St. Lawrence Seaway Project - S.J. Res. 14, memorializing the Congress to enact St. Lawrence project authorization, passed Senate 17-11; rejected by House, 117-98.

Utility Labor Disputes - S. 29, authorizing the governor to take over and operate any struck utility, was withdrawn.

1951 Massachusetts Legislation - Final Report
Session: January 3 to November 17, 1951

Governor's Message

The following excerpt is from the January 4, 1951 message of Governor Paul A. Dever, to the legislature:

"We recognize as of telling influence the establishment by the President of the United States of the New England-New York Inter-agency Rivers Basin Committee. The northeastern region of the country has never possessed an inventory of the economic potentialities and hydro-electric possibilities of the natural resources of its river basins. We have long needed an adequate study of them. We are now being provided with one..."

A. Affirmative

None.

B. Defensive

None.

C. Collateral

Enacted:

Connecticut River Flood Control Compact - S. 702, approved September 25, 1951, Chap. 692 ratifies the compact between the Commonwealth of Massachusetts and the States of Connecticut, New Hampshire and Vermont which establishes "The Connecticut River Valley Flood Control Commission."

(Same as H.B. 396, New Hampshire. For action by other States affected, see:

New Hampshire - Laws 1951, H.B. 396, approved August 2, 1951

Connecticut - Laws 1951, S.B. 758, approved July 10, 1951, Public Act 297

Vermont - Laws 1951, H. 331, approved May 9, 1951, Act 244)

Granby Telephone and Telegraph Company - S. 758 approved October 5, 1951, Chapter 703, authorizes this company to borrow a sum not exceeding \$125,000; to execute bonds, notes or other evidences of indebtedness; and to mortgage, pledge or hypothecate any or all of its assets as security. (This company is an RTA telephone loan applicant. Chap. 725, Laws of 1950 authorized this company to borrow \$40,000.)

1951 Connecticut Legislation - Final Report
Regular Session: January 3 to June 7, 1951
Special Session: June 13 to June 13, 1951

A. Affirmative

None.

Although the model Electric Cooperative Act was enacted in Connecticut in 1941 there has been no electric cooperative development in Connecticut.

B. Defensive

None.

C. Collateral

Enacted:

Connecticut River Flood Control Compact - S.B. 758, approved July 10, 1951, Public Act 297, ratifies the compact between the Commonwealth of Massachusetts and the States of Connecticut, New Hampshire and Vermont which establishes "The Connecticut River Valley Flood Control Commission!"

(Same as H.B. 396 New Hampshire. For action by other States, see:
New Hampshire - Laws 1951, H.B. 396, approved August 2, 1951
Vermont - Laws 1951, H.B. 331, approved May 9, 1951, Act 244
Massachusetts - Laws 1951, S. 702, approved September 25, 1951, Chap. 692.)

1951 Rhode Island Legislation - Final Report
Regular Session: January 2 to April 26, 1951
Special Session: September 19 to September 24, 1951

A. Affirmative

None.

B. Defensive

None.

1951 Virginia Legislation

No session in 1951

1951 New York Legislation - Final Report
Session: January 3 to March 16, 1951

Governor's Message

Hydroelectric Power Development:

In a special message to the Legislature on February 26, 1951, Governor Thomas E. Dewey recommended amendments to the New York State Power Authority Act, which would authorize the development of electric power from water power supplied by the Niagara Falls. This legislation was recommended in order to take advantage of the provisions of the Niagara Redevelopment Treaty between the United States and Canada, ratified by the Senate of the United States on August 9, 1950. The legislature passed and the Governor approved Chapter 146 embodying the amendments suggested by the Governor.

A. Affirmative

No affirmative legislative program was undertaken by the REA borrowers in New York and no bills were introduced which would have affected either the rural electrification or rural telephone programs.

B. Defensive

Public Service Commission - Jurisdiction - A.B. 109, died in Assembly; would have amended the public service law to make electric sub-metering corporations subject to the jurisdiction of the Public Service Commission, and would have prohibited them from charging rates higher than the scheduled rates of electric utilities operating in the same territory and furnishing comparable services. The definition of "electric sub-metering corporation" includes every corporation, company, association, etc., "who or which is not an electric corporation" engaged in the distribution of electricity. This definition would probably include the REA borrowers in New York.

A.B. 600 and A.B. 1528 (similar to A.B. 109) died in Assembly.

C. Collateral

Enacted:

Cooperative Corporations Law - A.B. 2402 enacts a new Cooperative Corporations Law as Chapter 77 of the Consolidated Law. It is doubtful that it can be used by telephone cooperatives; approved and effective April 11, 1951, Chap. 712.

Niagara Power Development - S. 2784, amends the Public Authorities Law, to confer authority upon the N. Y. State Power Authority over Niagara power development; approved March 20, 1951, Chap. 146.

Failed:

Telephone Rates - S. 501, limiting charges for telephone calls within a city to five cents for three minutes, failed in the Senate.

1951 New Jersey Legislation - Final Report
Session: January 9 to May 4, 1951 :

A. Affirmative

No affirmative legislative program was undertaken by the REA borrowers in New Jersey and no bills were introduced which would have affected either the rural electrification or rural telephone programs.

B. Defensive

No bills adversely affecting the rural electrification and rural telephone programs were introduced.

C. Collateral

Enacted:

Agricultural Cooperative Associations - A. 103, amending 4:13, New Jersey Stats. Ann., relating to agricultural cooperative associations, was approved July 13, 1951, Chap. 303.

1951 Pennsylvania Legislation - Interim Report, November 30, 1951
 Session: Convened January 2, 1951 - Adjourned December 22, 1951

A. Affirmative

No affirmative program of legislation was undertaken by REA borrowers. Some question had arisen as to the availability of a suitable statute for the formation and operation of telephone cooperatives but it was learned that the existing cooperative law (Title 14, Purdon's Penn. Statutes Ann., 1938) had been used for this purpose in 1950. Therefore no legislation in this field was sought.

B. Defensive

Electrification: Electric Power - Supply to Consumers - S.B. 251 (pending in Senate Committee on Corporations), and H.B. 677, (pending in House Committee on Public Utilities) relate to the quantity of power that electric power companies would be required to furnish consumers; provide that every electric power company furnishing energy to household consumers be required to maintain lines so as to deliver electric current to consumers "at their rated capacity at all times without diminution or stoppage of the electric current at any time." S.B. 251 would place the enforcement of this provision in the Public Utility Commission. H.B. 677 would permit deviation of five percent from rated capacity and make the violation of this act a misdemeanor subject to a fine. (The Pennsylvania State Association of Rural Electric Cooperatives opposed these measures.)

Telephone: Certificates of Convenience and Necessity - Telephone Cooperatives - H.B. 708, which passed the House on April 9, 1951 (173-0) and has remained pending in Senate Committee on Corporations since July 9, 1951*when the Senate recommitted it, would: (1) require telephone enterprises, including non-profit and cooperative associations, to obtain the approval of the Pennsylvania Public Utility Commission before beginning to furnish telephone service; (2) provide for the regulation of such service after approval; (3) confer appropriate powers and duties on the Pennsylvania Public Utility Commission. Telephone cooperative organizations, serving members only, are exempt from the jurisdiction of the Public Utility Commission.

(The Pennsylvania State Association of Rural Electric Cooperatives opposed this measure before the Senate Committee on Corporations on the ground that the bill would hamper the efforts of the farmers of Pennsylvania to obtain adequate telephone service for themselves through cooperative efforts. It was also feared that this legislation might be used as a precedent to place the electric cooperatives under the jurisdiction of the Public Utility Commission.)

C. Collateral

Enacted:

Rights of way - Utility Companies - H.B. 678 approved August 24, 1951, Act 332, amends Section 1803 of the Administrative Code of 1929 to authorize the Department of Forests and Waters to grant rights of way to utility companies to construct and operate electric lines through State forest lands.

*Defeated on floor of Senate (16-17) on December 21.

Nonprofit Corporations - H.B. 532 approved August 24, 1951, Act 335, amends Section 802 of the Nonprofit Corporation Law (Title 15, Section 2851-802, Purdons Pa. Stat. Ann.) relating to approval of joint plans of merger or consolidation of nonprofit corporations by the members thereof.

S.B. 418 approved August 17, 1951, Act 311, amends various sections of the Nonprofit Corporation Law (Title 15, Section 2851-1 et. seq. Purdons Pa. Stat. Ann.) relating to the borrowing of money; disposition of real estate; filling vacancies in boards of directors; providing for cumulative voting by members; relating to service of process on Secretary of Commonwealth for foreign nonprofit corporations, etc. (H.B. 1372, vetoed by the Governor August 17, 1951 - would have amended the Nonprofit Corporations Law relating to the borrowing of funds and the disposition of real estate. This bill was vetoed by the Governor because this provision was included in S.B. 418, above.)

Failed
(Pending)

Nonprofit Corporations - S.B. 495, recommitted to Senate Committee on Corporations on June 4, 1951, would amend the Nonprofit Corporation Law by further regulating the manner in which the corporate purposes may be set forth in the articles of incorporation.

Public Utilities - Rate Increases - S.B. 234, ^{died} (pending) in Senate Committee on Corporations, would amend the act relating to the regulation of public utilities by providing for public hearing in all cases of voluntary rate increases; requiring the Public Utilities Commission to issue an appropriate order thereon; providing for the issuance of refund script in certain cases; and providing that appeals from the orders of the commission shall operate as a supersedeas.

H.B. 9, ^{died} (pending) in House Committee on Public Utilities, would amend the act relating to the regulation of public utilities by prohibiting increases in rates by public utilities without public hearings.

S.B. 274 and H.B. 725, both ^{died} (pending) in committee, would amend the act relating to the regulation of public utilities by requiring public utilities to give written notice and serve each political subdivision, municipal corporation and other designated interested party with copies of all changes in existing tariffs, etc.; requiring a public hearing within sixty days from the time of filing the proposed changes; providing for the continuation of the rates in force at the time of filing the change for a period of six months, etc.

S.B. 864, which passed the Senate on September 25, 1951 and ^{died} (is pending) in House Committee on Public Utilities, would amend the act relating to the regulation of public utilities by requiring the issuance of an order by the Public Utility Commission before the effective date of certain voluntary rate increases; making such order the basis of appeals and setting forth when such appeal may act as a supersedeas.

Public Utilities - Valuation of Property - S.B. 445, H.B. 345 and H.B. 892, all ^{died} (pending) in committee, would amend the act relating to the regulation of public utilities by defining the fair value of the property of a public utility and providing that just and reasonable rates shall be such as provide a fair return upon the fair value of the property as so defined.

Pennsylvania Fair Rate Board - H.B. 910 would create the Pennsylvania Fair Rate Board to replace the Public Utility Commission. H.B. 911 would amend the Administrative Code of 1929 by providing for the substitution of the Fair Rate Board for the Public Utility Commission. Both bills are ^{died} pending in House Committee on State Government.

Public Utility Commission - Membership - H.B. 981, ^{died} (pending) in House Public Utilities Committee, would amend the act creating the Pennsylvania Public Utility Commission by providing that one member shall be a representative of organized labor.

Public Utilities - Labor Disputes - H.B. 260 and S.B. 413, both ^{died} (pending) in committee, would repeal the act of 1947 relating to the settlement of labor disputes in public utilities.

Municipal Authorities - Jurisdiction of Public Utility Commission - H.B. 1363, ^{died} (pending) in House Committee on Municipal Corporations, would amend the act providing for the creation of municipal Authorities by providing that the Public Utility Commission shall have the power to regulate and fix the rates for public utility service furnished by Authorities beyond the corporate limits of the municipality and providing that the approval of the Commission be obtained before acquiring, constructing or beginning to operate any plant, equipment of other facilities for furnishing public utility service beyond such corporate limits.

Municipal Public Utilities - H.B. 311, ^{died} (pending) in House Committee on Municipal Corporations, would authorize cities, boroughs, towns, etc. to construct, acquire, own, operate, control, sell and lease facilities for the production, generation, transmission, distribution, etc. of electricity, steam, gas, etc.

St. Lawrence Seaway and Power Project - H. Res. 3, ^{died} (pending) in House Committee on Rules, memorializes the Congress not to approve the construction of the St. Lawrence project.

1951 Maryland Legislation - Final Report
Session: January 3 to April 2, 1951

A. Affirmative

No legislative program was sponsored by REA borrowers in Maryland.

B. Defensive

Enacted:

Electrical Licensing - Local Laws - S.B. 273 approved March 24, 1951, Chapter 182, effective June 1, 1951, creates a Board of Examiners and Supervisors for electricians in Charles County. This act provides for the licensing and bonding of master electricians and prohibits the connection of electric power lines to any wiring installation unless such work is performed by a master electrician and a meter cut-in certificate is issued by the Middle Department Association of Fire Underwriters.

H.B. 749, approved April 20, 1951, Chapter 522, effective June 1, 1951 amends the Prince Georges County licensing law by authorizing the County Commissioners to designate the agency to issue meter cut-in certificates in place of the Middle Department Association of Fire Underwriters, the issuing agency under existing law.

Failed:

Electrical Licensing and Inspection - S.B. 8, which died in the Senate, would have created a State Board of Electrical Examiners; and provided for the licensing of electricians on a state-wide basis, the inspection and certification of electrical work, and for general supervision over the conduct of electrical business.

S.B. 225, which died in the Senate, would have repealed several local electrical licensing laws and authorized the County Commissioners for each County to establish a County Board of Electrical Examiners to license electrical contractors.

C. Collateral

St. Lawrence Seaway - H. Res. 38 adopted February 28, 1951, opposes the development of the St. Lawrence Seaway project and requests the Congress not to enact any legislation or make any appropriation for the construction of this project.

General Corporation Act - S.B. 26, approved March 21, 1951, Chapter 135, effective June 1, 1951, codified and reenacts the General Corporation Act.

1951 Delaware Legislation - Final Report
Session: January 2 to May 26, 1951

A. Affirmative

No legislation was reported to have been sponsored by the Delaware Electric Cooperative, Inc.

B. Defensive

Enacted:

Public Service Commission - S.B. 432 approved June 21, 1951. This act amends Chapter 254, Laws 1949 which created and established the Public Service Commission of Delaware which has jurisdiction over the electric cooperative and telephone systems generally. Section 3 relating to the powers of the Commission is amended by adding subsection (n) requiring public utilities to file annual and special reports with the Commission. Section 4, subsection (d) is amended and subsection (e) is added requiring the keeping of uniform accounts and establishing a depreciation account in accordance with the Commission's rules and regulations. New Section 4A is added permitting inspection of all books, plant and property of a public utility by the Commission or its representative. Section 5 relating to the procedure for establishing rates is rewritten. New Section 5A provides for the reduction of rates whenever the Commission shall determine that the present rates of a utility are producing a return in excess of a fair return upon the property of the utility. Section 6 relating to the sale, consolidation, merger, etc. of a public utility is revised to provide that a utility must obtain prior approval from the Commission before assuming any obligation or liability as guarantor, endorser, etc. of any security maturing more than one year after the date of issue. Section 8 pertaining to the requirement for all public utilities to obtain from the Commission, certificates of convenience and necessity before beginning business is revised and expanded.

Failed:

Electricians - Licenses - S.B. 243, died in House; was entitled the "State Board of Electrical Examiners Act." It would have provided for the licensing of electricians and the inspection and certification of electrical work, and specifically prohibited the installation of any wiring by unlicensed persons. Section 19 of the bill authorized the Middle Department Association of Fire Underwriters to serve as inspection authorities of wiring installations.

C. Collateral

Enacted:

Non-Profit Corporations - S.B. 227, approved June 15, 1951, amends Chapter 65, Revised Code of Delaware, relating to corporations by adding a new section 59D providing for the consolidation or merger of non-stock corporations, organized for profit or not for profit, with stock corporations and by revising section 61 relating to the payment for stock or membership of dissatisfied stockholder or member in event of consolidation or merger.

Eminent Domain - S.B. 427, approved June 5, 1951, establishes a uniform procedure for the condemnation of property and for the determination of just compensation in such cases.

Failed:

Contractors Licensing - H.B. 369, died in House, would have created a State Licensing Board for General Contractors to regulate the practice of general contracting in the State of Delaware.

H.B. 174, stricken from House Calendar, would have provided for the licensing of general contractors in the State of Delaware by creating a Board of Examiners and Registrars of General Contractors.

New Castle - Water and Light Commission - H.B. 199, stricken from House Calendar, would have amended the act establishing the New Castle Board of Water and Light Commissioners by extending the territory to which water and electric current may be supplied to three miles beyond the corporate boundaries of the City of New Castle.

Telephone - Party Lines - S.B. 67, stricken from Senate Calendar, would have amended Chapter 100, Revised Code of Delaware, by revising Section 210 relating to the limit of the number of telephones on party lines. As introduced the bill would have made it unlawful for any person or persons, corporation or corporations, operating, controlling or owning any telephone lines within this State, known as party lines, and for which the regular charge for separate telephones is at the rate of Twenty Dollars or more per year, to have more than four telephones upon any one line.

1951 North Carolina Legislation - Final Report
Session: January 3 to April 14, 1951

Governor's Message

The following excerpts are from the January 4, 1951 message of Governor Kerr Scott to the Legislature:

"Public Utilities - Gratifying progress has been made in the past two years in the extension of the benefits of electric energy to the people in our rural areas through the combined efforts of the REA, the municipalities, and the public utility companies. Electric power has now been taken to all but 32,844 North Carolina farms.

"Despite the progress scored, too many of our people are still without the service. Areas, where firm power is not sufficiently available at reasonable prices, constitute a dead space in our economic structure. The low per capita income of these areas means not only a lower standard of living for the people living in them, but also higher taxes for the rest of the State's taxpayers.

"Telephone - Progress has also been made in telephone service expansion during the past two years. This expansion must be continued. The public interest demands that those utility companies which have been dragging their feet in North Carolina's March of Progress be required to get in step with the rest of the State.

"To justify their position of privilege and freedom from competition, our public utilities corporations should provide the service to which the people are entitled and at a cost not in excess of that necessary to permit a fair and reasonable return on investment.

"The people of North Carolina through their General Assembly have delegated to the Utilities Commission general regulatory and rate-making powers in the public utility field. Many companies, particularly telephone companies, do not hold franchise certificates directly from the Utilities Commission and their service areas are vague and undefined.

"I recommend that legislation be enacted requiring all public utilities to apply for formal franchise certificates from the State Utilities Commission. These franchise certificates should clearly and accurately define the geographical franchise area which the respective companies are privileged and obligated to serve. Such legislation will afford the necessary machinery whereby the Utilities Commission may perform its duty of securing better state-wide distribution of vital utility services."

A. Affirmative

The North Carolina Rural Electric Cooperative Association did not sponsor any legislation in the 1951 session of the legislature, although consideration was given to sponsoring amendments of the Electric Membership Corporation Act to provide for (a) staggered terms for directors; (b) service to a limited number of non-members; (c) reducing membership vote requirements in connection with increasing debt limit and authorizing mortgage of cooperative property; and (d) amendment of articles of incorporation by a vote of not less than two-thirds of the members present at a meeting; amendment of the easement registration statute to

exempt electric membership corporations and electric or power companies in the same manner as local telephone companies are presently exempted; legislation to exempt from licensing requirements contractors constructing facilities for electric and telephone membership corporations; and amendment of the 1945 rural telephone act.

B. Defensive

Enacted:

Electrical Contractors - Licensing - H.B. 507, ratified April 9, 1951, Chap. 650, amends Section 87-43 of the General Statutes of North Carolina, relating to the licensing of electrical contractors so as to extend and make applicable the licensing requirements of this act throughout the State. It also adds another exemption to the act, subsection (g), relating to the replacement of lamps and fuses and the installation and servicing of appliances and amends the exemption in subsection (2) relating to firms regularly employing electricians in their business.

County Electrical Inspectors - H.B. 508, ratified April 9, 1951, Chap. 651, amends Section 160-122 of the General Statutes of North Carolina relating to county electrical inspectors by removing the authority of the electrical inspectors to issue permits for electrical installations.

C. Collateral

Enacted:

Governmental Units - Sale of Merchandise - H.B. 323, ratified April 14, 1951, Chap. 1090, amends and extends Section 66-58 of the General Statutes of North Carolina making it unlawful for any unit, department or agency of the State government to engage in the sale of merchandise in competition with citizens of the State, or to render services to the public ordinarily rendered by private enterprises. Under Subsection (b), Rural Electric Membership Corporations are exempted from the provisions of this Act.

Corporation Directors - Residence - S.B. 72, ratified March 20, 1951, Chap. 265, amends Section 55-2 of the General Statutes of North Carolina relating to corporations by requiring that at least one incorporator be a resident of the State of North Carolina and by providing that the period of duration may be perpetual. Section 55-110 relating to voting by stockholders and providing for cumulative voting is amended to permit cumulative voting at any election of directors, managers or trustees.

Condemnation Proceedings - H.B. 137 ratified February 14, 1951, Chap. 59, amends Sections 40-11 and 40-19 of the General Statutes of North Carolina relating to condemnation proceedings by providing that corporations may acquire fee simple title to such real estate or easement and providing that, where no appeal has been made in a condemnation proceeding to acquire a fee simple title, all persons who had been made parties to such proceedings shall be divested of all rights and interest in such real estate.

Buggs Island Development Commission - H.B. 145, ratified March 28, 1951, Chap. 444, creates the Buggs Island Development Commission, to study the development of the area and to make recommendations to the appropriate department or agency of the state in order to promote the development of the Buggs Island area to the fullest extent possible.

Engineering - H.B. 98, ratified April 14, 1951, Chap. 1084, rewrites in its entirety, Chap. 89, of the General Statutes of North Carolina regulating engineering and land surveying and providing for the registration of engineers and land surveyors.

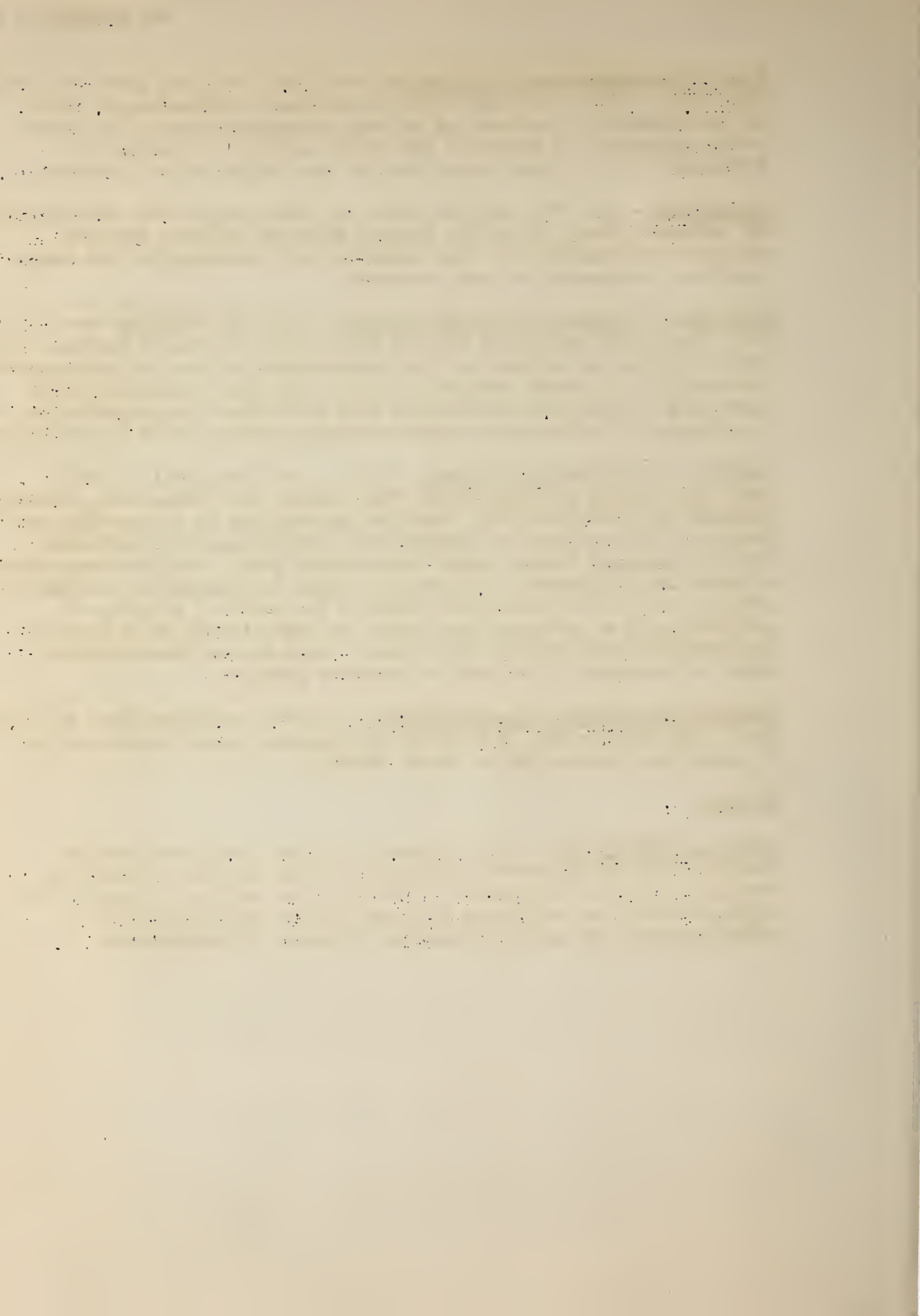
Microfilm - Business and Public Records - H.B. 214, ratified March 15, 1951, Chap. 262, enacts the Uniform Photographic Copies of Business and Public Records as Evidence Act and makes microfilm or other photographic reproduction of records admissible in any judicial or administrative proceeding. (H.B. 249, which would have authorized the admissibility in evidence of photographic copies of public records, died in the House.)

Taxation - Electricians Licenses - H.B. 6, ratified April 9, 1951, Chap. 643, amends and supplements "The Revenue Act" (Chap. 105, General Statutes of North Carolina). Included in this act is an amendment to Section 105-91 relating to licenses for electricians which provides that the licenses imposed under this section shall cover the installation of electrical equipment, fixtures and wiring in or upon the consumer's premises, or on the "customer's side" of the point of delivery of electric service, but shall not cover the installation of or service to transmission or distribution lines or work on the "distributor's side" of the point of delivery of electric service.

Electric Inspections - Durham County - H.B. 778, ratified March 30, 1951, Chap. 507, repeals Chap. 429 of the Public-Local Laws, 1929, relating to electrical inspections in Durham County.

Failed:

Mortgage Registration - S.B. 59, died in House, would have amended Section 47-20 of the General Statutes of North Carolina relating to the registration of mortgages by rewriting the section to provide that mortgages shall be valid only from the time of registration and by adding several new sections relating to places of registration.



1951 Florida Legislation - Final Report
Session: April 3 to June 1, 1951

A. Affirmative

Enacted:

Chattel Mortgages - Filing - H.B. 473, law without approval June 11, 1951, Chapter 26889 (No. 410), amends Section 698.08, Florida Statutes, relating to the filing of chattel mortgages and limiting the effectiveness of such mortgages to seven years, by adding a proviso exempting mortgages or other security instruments given to secure any indebtedness to the United States of America, or any agency or instrumentality thereof, incurred under the Rural Electrification Act of 1936, as amended. (S.B. 151 (same as H.B. 473) died in House.)

These bills were sponsored by the Florida REA Cooperatives Association.

Failed:

Rural Electric Cooperatives - Trustees - H.B. 474, passed House, died in Senate after being reported out of committee without recommendation on May 29, would have amended Subsection 3 of Section 425.10, Florida Statutes, relating to the terms of trustees of rural electric cooperatives by permitting them to serve for a term of three years.

Rural Telephone Cooperative Act - H.B. 630, died in the House; S.B. 311 (same as H.B. 630), died in the Senate, would have enacted the model Rural Telephone Cooperative Act. The House bill died in the House Committee on Railroads, Telegraph and Telephones. The Senate bill which was introduced by Senator Sanchez, of Live Oak, was reported favorably by the Senate Committee on May 10 after substituting a revised bill in accordance with recommendations made by the Southern Bell Telephone Company. This substitute bill contained many undesirable features and was opposed by REA borrowers.

B. Defensive

Failed:

Telephone Companies - Commission jurisdiction over territory - H.B. 163, passed House, died in Senate after being reported out of committee without recommendation on May 30, would have amended Section 364.15 Florida Statutes, relating to improvements by telephone and telegraph companies, by authorizing the Florida Railroad and Public Utilities Commission to prescribe territories and areas to be served by such companies.

C. Collateral

Enacted:

Public Utilities - Commission Regulation - H.B. 26, approved May 9, 1951, Chapter 26545 (No. 66) (same as S.B. 124), provides for the control and regulation of public utilities (electric and gas) by the Florida Railroad and Public Utilities Commission. Rural electric cooperatives and municipally owned utilities are specifically exempted from the jurisdiction of the commission.

(REA borrowers did not appose the passage of this bill after being assured that the present exemption of REA cooperatives from commission jurisdiction would be preserved. The large public utilities in Florida pressed for the adoption of this legislation because they wished to be placed under the regulation of one commission with statewide powers rather than to continue to be subject to the many local utility regulatory bodies. At meetings with REA borrowers the officials of the public utilities sought their aid in securing the passage of this legislation after assuring the REA people that they would support the continued exemption of REA cooperatives from commission jurisdiction.)

Electrical Installations - Local Law - H.B. 1491, law without approval on June 11, provided for the regulation of electrical installations in Volusia County outside the corporate limits of municipalities.

County Roads - Local Law - H.B. 1527, law without approval on June 11, 1951, authorizes the commissioners of Volusia County to grant easements and franchises on county roads for the maintenance of pipes, lines and poles for the distribution of water, gas and electric power.

Eminent domain - S.B. 956, law without approval on June 11, Chapter 26921 (No. 442) amends Sections 74.01, .03, .09, .15, Florida Statutes, relating to the power of eminent domain.

Plumbing Regulation - S.B. 447, law without approval on June 11, Chapter 425, enacts the Florida Plumbing Control Act of 1951.

Failed:

Taxation of Utility Properties - S.B. 440, died in Senate, would have provided for assessment of taxes against electric, telephone, etc. properties on the same basis as railroads.

1951 Georgia Legislation - Interim Report
Session: January 8 to February 16, 1951

(Legislature recessed until January 14, 1952. The regular session of the Georgia legislature convenes biennially in odd-numbered years and its meetings are limited to 70 calendar days. However the legislature may recess before the expiration of the time limit and reconvene the following year to complete the balance of the session. For 1952 there are 30 days remaining to the session. Legislation not finally disposed of at the first session may be considered at the next meeting in the following year along with newly introduced bills.)

A. Affirmative

Pending:

Electric Membership Corporations - Disposition of Property - H.B. 418, pending on House Calendar, would amend Subsection (b) of Section 34-A-128a, Georgia Code, 1933, relating to the disposition of corporation property. This section was originally added to the Electric Membership Corporation Act by Act No. 683, Georgia Laws 1950. However through inadvertence language was omitted and as a result the meaning of the subsection was garbled. H.B. 418 provides that the vote of a majority of all members of an electric membership corporation may authorize the sale, mortgage, lease, or other disposition or encumbrance of all or a substantial portion of the corporate property and that the board of directors, upon vote of a majority of those members of the corporation present at a membership meeting, may sell, lease or otherwise dispose of such property to another corporation or foreign corporation doing business in Georgia under the Electric Membership Corporation Act or to the holders of bonds, notes, etc., issued to the United States. The bill was introduced by Rep. Duncan of Carroll on January 31, 1951. It was reported by the Committee and placed on the House Calendar for passage but was not reached by the time the legislature recessed. Mr. Robert D. Tisinger, Attorney, Georgia Electric Membership Corporation reports that it is expected that this bill will be passed by the Legislature when it reconvenes in January 1952.

Legislation to amend the Georgia "Rural Telephone Cooperative Act", Act 673, Georgia Laws, 1950 and to include telephone cooperatives under the Workmen's Compensation Law was considered but was not introduced.

B. Defensive

Enacted:

Sales Tax - H.B. 2, approved February 20, 1951, Act 240, entitled the "Georgia Retailers' and Consumers' Sales and Use Tax Act", imposes a 3% tax on sales, services, rentals, goods, etc. Section 3(a) of the act defines "person" to include cooperatives and non-profit membership corporations. Section 3(c) defines "retail sale" and includes the sale of electricity, local telephone services, etc.

Pending:

Licensing of Electrical Contractors - H.B. 182, pending in House Committee on Industrial Relation, introduced by Rep. Alverson of Fulton on January 17, 1951, would create a State Board of Examiners of Electrical contractors. The Board would have authority to license electrical contractors and require the inspection of all electrical installations, charging fees for such inspection as provided in the bill. Section XI prohibits any person, firm or corporation from engaging in the business of installing, maintaining or repairing electrical equipment, wiring, etc., unless they have an electrical contractor's license. This provision does not apply to: the construction and maintenance of power systems for the generation and distribution of electric current; the installation, construction, maintenance or repair of telephone, telegraph, or signal systems by public utilities; the installation of temporary equipment for use by contractors in connection with construction work; the installation of equipment, etc. on their own property by persons or firms employing an employee who has an electrical contractors license.

C. CollateralEnacted:

Electricians - Board of Examiners - Local - H.B. 238, approved February 8, 1951, Act 87, amends the act of March 15, 1943 creating a board of electrical examiners in certain counties, by making it applicable to counties having a population between 120,000 and 145,000 according to the 1950 census instead of to counties having a population between 85,000 and 90,000 according to the 1940 census.

Utilities - Franchises - LaGrange - S.B. 140 approved February 19, 1951, Act 178, amends the charter of the City of LaGrange to authorize the city to grant franchises for the erection and operation of electric lines and poles, telephone lines, etc. and other public utilities within the corporate limits of the city.

Pending:

Public Utilities - Labor Disputes - H.B. 325, pending in House Committee, would provide for the mediation of labor disputes in public utilities and would permit the seizure and operation of public utilities by the State in order to insure continuous operation.

1951 South Carolina Legislation - Final Report
Session: January 9 to May 4, 1951

(Note: The General Assembly of South Carolina is elected for a two year term and meets in annual sessions. The first term of each legislature convenes in the odd-numbered years. Legislation introduced during the first session and not finally disposed of may be considered during the second session of the legislature. The second session of the current General Assembly will convene January 8, 1952.)

A. Affirmative

Enacted:

Rural Electric Cooperatives - Taxation - Exemption - The rural electric cooperatives in South Carolina were exempt from property taxation under a law which was to expire on June 11, 1951. Through the efforts of the South Carolina Electric Cooperative Inc., Sec. 100 was included in H. 1150, General Appropriation Act, 1951, making this exemption from property taxation permanent. This section amends Subsection 61 of Section 2578, Article III, South Carolina Code of 1942 to provide as follows:

"(61) All property of every kind now owned by rural electric cooperatives organized under the provisions of paragraphs 8555-91 through 8555-123 is hereby exempted from taxation for state, county, school, municipal, and special taxes:

Provided, also, that all other rural electric lines constructed since March 29, 1945 and used to distribute, sell, supply, and dispose of electric energy over rural areas shall be exempt from payment of state, county, school and municipal property taxes." This act was approved on April 19, 1951.

(An attempt was made to repeal this provision, when the House amended the Supplemental Appropriation Act, H. 1463, to strike out Section 100 of the General Appropriations Act. Through the efforts of Senator Edgar A. Brown, Chairman of the Senate Finance Committee, the Conference Committee eliminated this amendment.) Article VII of the General Appropriation Act, 1951 imposes a state sales and use tax. However sales of electricity were exempted from this tax (Article III, Subarticle III (2)(q)). (In this connection, the House adopted an amendment to the Supplemental Appropriation Act, H. 1463, to make the sales tax applicable to electricity. Again through the efforts of Senator Brown, the Conference Committee also eliminated this amendment.)

Laurens Electric Cooperative - Purchase of Lines - H. 1265, approved and effective April 5, 1951. This act confirms the sale by Clinton, S.C. of seven miles of rural electric lines to the Laurens Electric Cooperative.

Pending:

Rural Telephone Cooperative Act - S. 376, introduced April 19, 1951 by Senators Leppard, Jefferies, et. al and referred to the Senate Committee

on Judiciary. This bill is the same as the recommended model Rural Telephone Cooperative Act with the necessary modifications to conform with South Carolina law. Sec. 32 provides for payment of an annual fee in lieu of all taxes at the rate of \$10 for each one hundred persons or fraction thereof. This bill may be considered by the Legislature when it convenes on January 8, 1952.

Consideration was given to legislation which would solve a problem arising as a result of the doubt as to when REA mortgages must be renewed or refiled under the provisions of Sections 8876 to 8880, South Carolina Code, 1942. An amendment of Section 8880, which now exempts mortgages executed by any public service corporation, extending this exemption to REA mortgages was prepared. An amendment to Section 8555-111 to permit the transfer of a cooperative's property by the board of trustees upon authorization by a majority of those members who are present at a meeting in lieu of the present requirement of a vote of two-thirds of the members for making such transfers was also prepared. Neither of these amendatory bills was presented to the Legislature as it was decided that it would be best to concentrate on tax matters.

B. Defensive

Pending:

Public Service Commission - Jurisdiction - H. 1303, introduced March 20, 1951 by Rep. McQueen, Dillon County, S. C. and referred to the House Committee on Judiciary, would amend Sec. 8555-119, South Carolina Code of 1942 which presently exempts electric cooperatives from the jurisdiction of the Public Service Commission, by providing that they shall be placed "under the control and jurisdiction of the public service commission in like manner as the commission exercises jurisdiction over other electrical utilities."

A hearing was held on this bill on April 10 at which representatives of all the cooperatives in the State but one appeared. Mr. Hunter, Attorney for the Newberry Electric Co-op. (S.C. 34) acted as spokesman and presented the cooperative arguments against the bill. It appeared that there was little support for the bill and that it had been introduced by Rep. McQueen as a result of a dispute which he had had with the manager of the Marlboro Electric Cooperative. The bill has remained in committee.

C. Collateral

Enacted:

State Rural Electrification Act - Repeal - S. 277, ratified by the legislature May 4, 1951, repeals Sections 8555-31 to 8555-53 of the South Carolina Code, 1942, the South Carolina State Rural Electrification Act.

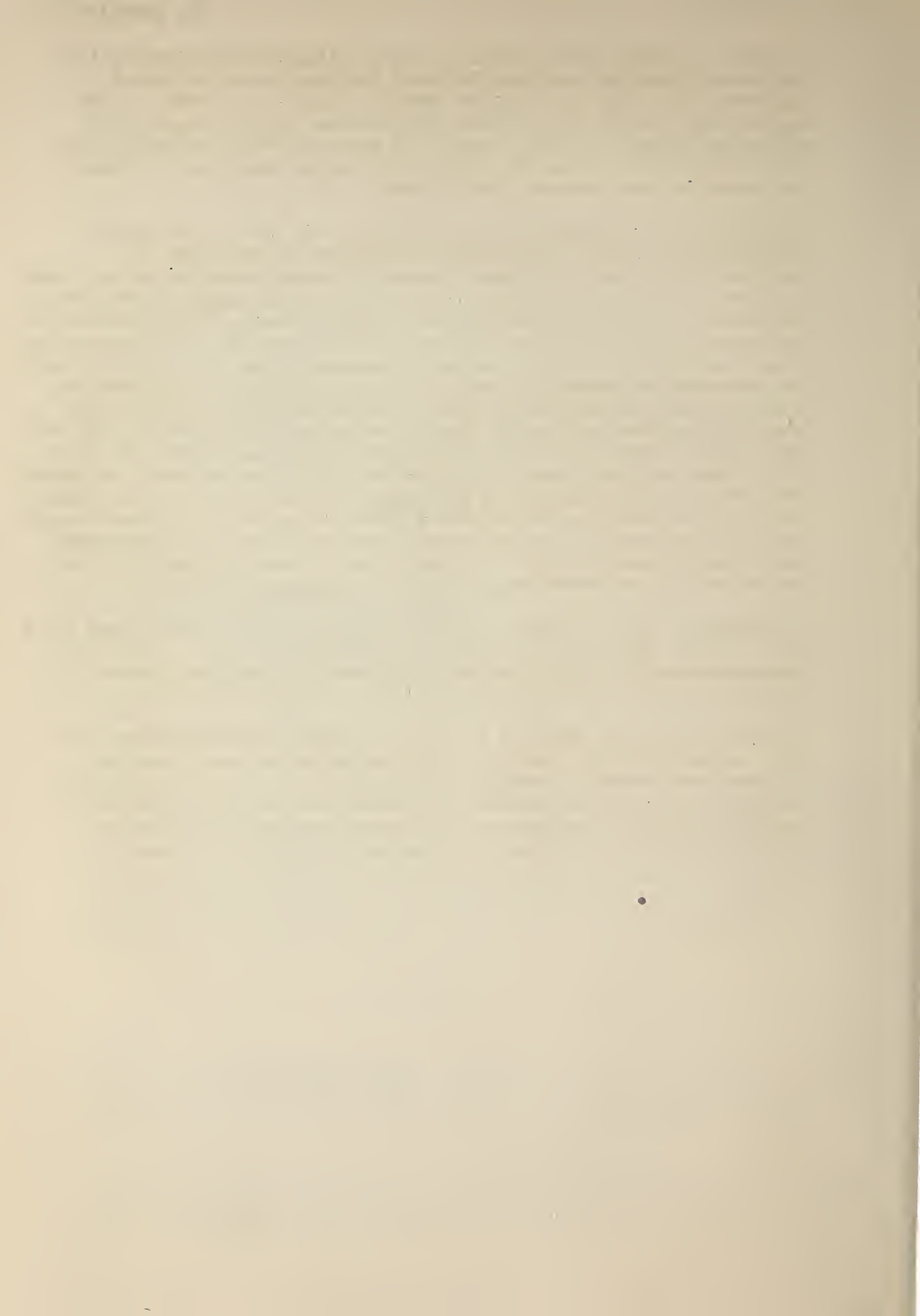
Electricity - Cities and Towns - S. 201, approved and effective April 13, 1951, amends Sec. 7300, South Carolina Code, 1942 authorizing certain cities and towns to furnish electric current or other utility services

to persons, firms, corporations or other cities or towns outside the corporate limits by changing the basis for population limitation (authorization limited to cities having a population between 50,000 and 60,000) from the 1930 to the 1950 Census. S. 18, approved and effective January 27, 1951, amends the same section by extending its provisions to all cities and towns in McCormick County and limiting contracts for such services to 50 years.

Electricity - Exported from South Carolina - H. 1463, approved and effective May 1, 1951, Supplemental Appropriation Act, Part III, Section 4, provides that electric power or energy generated in the State of South Carolina and exported to other States, by plants constructed in the State of South Carolina after the effective date of this Act, shall not be subject to an excise, license, or privilege tax on the generation of such electrical power or energy. The State Budget and Control Board is empowered to suspend the payment of the electric energy generating and sales tax on electricity sold to the Savannah River plant of the Atomic Energy Commission from plants located in South Carolina. (S. 294 and H. 1405, identical bills, provide for amendments to Sec. 2558 and 2560, South Carolina Code, 1942, relating to the tax on power, to repeal the electric generating tax on all hydro and steam electric power generated in South Carolina and to exempt from the one-half mill power sales tax all power used in the construction and operation of atomic energy plants being constructed in South Carolina. These bills were not reported out by the Committees to which they were referred.)

Electricity - Municipalities - S. 362, ratified by the legislature May 4, 1951, repeals Sections 9169 to 9185, South Carolina Code, 1942, which authorizes municipalities and water districts to purchase, construct, improve and operate waterworks, electric and/or power systems.

Telephone - City of Sumter - S. 304, approved and effective April 27, 1951, amends Act 1026, Laws of 1950, regulating persons, firms and corporations engaged in business as telephone utilities by repealing the authority of the City of Sumter to exercise the powers granted to the Public Service Commission with respect to telephone companies operating in and under franchises granted by the City of Sumter.



1951 Alabama Legislation - Final Report
Regular Session: May 1 to September 6, 1951
Special Session: January 16 to February 1, 1951

A. Affirmative

Enacted:

Electric Cooperatives - Board of Trustees - S.B. 553 approved September 11, 1951, Act 766, amends Section 39, Title 18, Alabama Code, relating to the election of boards of trustees of electric cooperatives, by providing for trustees with staggered terms of more than two classes.

This section had previously provided for two classes of trustees; as amended, it does not specify the number of classes of trustees, the only requirement being that each class be as nearly equal in number as possible. This bill was introduced by Senators Clayton of Barbour, Sollie of Dale and Farmer of Henry and Houston counties. (The Alabama Rural Electric Cooperative Association was advised that it would have been preferable to have provided in the act a specific number of classes of trustees inasmuch as it would appear possible to provide for as many classes as there are trustees. It was also pointed out that the term "staggered", as used in the bill, was not defined and that some question might arise as to just what it would mean.) H.B. 976 (same as S.B. 558) died in House.

Rural Telephone Act - Amendments - S.B. 125, approved and effective September 4, 1951, Act 613, amends Act 339, Laws of 1949 relating to the providing of rural telephone service and authorizing electric cooperatives to furnish such service. The amendment adds to Section 1 a definition of the term "rural area" to mean "any area within this State not included within the boundaries of any incorporated or unincorporated city, town, village or borough having a population in excess of one thousand five hundred inhabitants according to the last preceding Federal census". Section 2 describing the powers of electric cooperatives is amended to include furnishing telephone service "in rural areas". Section 3 is amended by deleting the provision permitting cooperatives to make telephone installation loans and changing the provision relating to the duplication of facilities "in any area except where existing telephone systems in that area are unable or unwilling to provide service" to read that a cooperative shall not duplicate "telephone service to any person, firm, corporation, governmental agency or political subdivision." The provision in Section 3 relating to the prohibition against construction and acquisition of telephone facilities within the corporate limits of a municipality is amended to be applicable "in any area other than a rural area as defined by this Act." Section 3 is further amended by adding language giving cooperatives the power to require other telephone companies to interconnect in order that adequate local and long distance service may be had, and in the event that agreement cannot be reached by the telephone company and the cooperative, "The Alabama Public Service Commission shall establish such terms and conditions, which shall be reasonable and nondiscriminatory." Section 4 is amended

to clarify the requirements concerning the name of the cooperative and provides that an electric cooperative which furnishes telephone service may include the word "telephone" in its name and need not include the word "electric" if it is not engaged in the furnishing of electric service.

Section 2 of Act 613 makes this act applicable to cooperatives previously organized under Act 339 and preserves for them all the territory which they had been authorized to serve. It further provides that the organization of such cooperatives is ratified, validated and confirmed and that any irregularity in their organization shall be deemed to be perfected. H.B. 123 (same as S.B. 125), introduced by Rep. Wallace, died in House.

This bill was sponsored by the Alabama Rural Electric Association and was introduced by Senator Andrews of Union Springs. As introduced, the bill would have eliminated from Section 3 the provisions making the cooperatives subject to the jurisdiction of the Alabama Public Service Commission in addition to making most of the changes described above. The bill also eliminated Section 7 from Act 339 which provides that the power to furnish telephone service is exclusive with cooperatives organized thereunder and substituting a new Section 7 requiring compulsory interconnection. This latter provision was enacted as the last two sentences of Section 3, Act 613, Laws 1951, and Section 7 of Act 339, Laws 1949 remains unchanged. Representatives of the commercial telephone companies opposed the bill as originally introduced, because of its commission exemption provision. Senators Andrews and Clayton then offered a substitute bill restoring the commission jurisdiction features. The substitute bill was reported by the Senate Committee on Commerce and Common Carriers without recommendation after adding the McCary amendment to Section 7 which prohibited cooperatives from furnishing service to any member located within the corporate limits of a municipality where such service is being furnished. The Senate recommitted this bill to the committee by a vote of 20 to 10. The Senate committee revised S.B. 125, striking the McCary amendment, and on June 22 reported out the bill substantially in the form as it was finally enacted. The House passed the bill on August 31, 1951 by a vote of 83 to 1 after adopting the amendment offered by Rep. Fite which added Section 2.)

Telephone Cooperatives - Marion County - H.B. 252, introduced by Rep. Fite of Marion, died in House, would have provided for the formation of cooperative telephone membership corporations in Marion County.

B. Defensive

None.

C. Collateral

Enacted:

Telephone Systems - Municipal Corporations - Local - H.B. 831 approved August 17, 1951, Act 431, relating to Colbert County; H.B. 834 approved August 17, 1951, Act 432, relating to Marion County; S.B. 468 approved August 28, 1951, Act 537, relating to Franklin County;

authorize municipal corporations in each of these counties to go into the teleph'one business and furnish telephone service. The acts further provide that such corporations may require compulsory interconnection with existing telephone systems and further exempts such corporations from the jurisdiction of the Public Service Commission.

Securities - Approval of Department of Finance - S.B. 119 approved July 9 1951, Act 191, amends Section 155, Title 55, Code of Alabama relating to the requirement for approval by the Department of Finance of securities issued by the State rural electrification authority, housing authority, electric membership corporation, etc. by eliminating the applicability of this section to towns, cities or municipalities and deleting the reference to approval by the chief of the division of local finance.

S.B. 227 approved July 9, 1951, Act 194, repeals Sections 151 to 154 inclusive, Title 55, Code of Alabama, relating to the Division of Local Finance of the Department of Finance which is now abolished.

Licensing of Engineers - S.B. 197, approved September 12, 1951, Act 934, amends Title 46, Section 137, 1940 Code, relating to registration of engineers and land surveyors.

Licensing of General Contractors - S.B. 200, approved September 12, 1951, Act 835, amends Title 46, Sections 68 and 71, 1940 Code, relating to licensing of general contractors.

Municipal Utilities - S.B. 280, approved June 29, 1951, Act 175, authorizes municipalities to incorporate utility boards to operate local utilities, including electric plants. S.B. 281, approved July 2, 1951, Act 190, authorizes municipalities to convey utility properties to Utility Board without an election.

Failed:

Appliance Sales - H.B. 79, died in House, would have prohibited appliance sales by public utilities unless directly connected with and necessary for the conduct of the utility's principal business; provided provided for enforcement by the Public Service Commission.

1951 Kentucky Legislation - Final Report
Special Session: March 5 to 14, 1951

✓The Kentucky Legislature did not meet in regular session in 1951. The special session was called for the purpose of considering welfare legislation, etc. It did not consider legislation affecting the REA program.✓

1951 Mississippi Legislation

No 1951 Session.

1951 Tennessee Legislation - Final Report
Session: January 1 to March 16, 1951

A. Affirmative

Enacted:

Electric Cooperative Act - Staggered Terms for Trustees - S.B. 154, approved March 15, 1951, Chapter 185, amends Section 9(c) of the Tennessee Electric Cooperative Act by providing for three year staggered terms for trustees of electric cooperative corporations. A.B. 185 (same as S.B. 154) was replaced by S.B. 154. (This act was sponsored by the Tennessee Rural Electric Cooperative Association and is similar to a draft of bill prepared by REA.)

Town of Newport - Increase Indebtedness - H.B. 688, approved March 16, 1951, Private Chapter 573, authorizes the Town of Newport, Cocke County, Tennessee to increase the limit of its outstanding indebtedness, to \$750,000, for the maintenance and operation of its electric system. (In previous years the Town of Newport has borrowed \$150,000 from REA for the extension and development of the rural portions of its system. Prior to the passage of this act the Town of Newport had indebtedness amounting to about \$350,000.)

Electrical Inspection Fees - S.B. 277, approved March 15, 1951, Chapter 188, amends Section 5717, Code of Tennessee, which provides for the inspection of electrical installations by deputy inspectors appointed by the State Fire Marshal and establishes a scale of fees to be charged for such inspection. The amendment increases the fee for the inspection of 60 ampere capacity installations from \$2.50 to \$3.50 and provides for a maximum fee of \$25.00 for installations of more than 600 ampere capacity. H.B. 315 (same as S.B. 277) replaced by S.B. 277. (The Tennessee Rural Electric Cooperative Association supported this legislation which was introduced under the sponsorship of the Tennessee Department of Insurance and Banking.)

B. Defensive

No bills which would have adversely affected the rural electrification or telephone programs were noted. It had been anticipated that efforts might be made to introduce legislation which would have affected the tax status of the electric cooperatives either through the imposition of a tax on power consumption or through a consumers meter tax. The State Association took a vigorous stand in opposition to such proposals.

C. Collateral

Enacted:

Telephone System - First Utility District, Carter County - H.B. 709, approved March 14, 1951, Private Chapter 498, authorizes The First Utility District of Carter County, Tennessee to "acquire, construct, reconstruct, improve, better and extend a telephone communication system" within the district. (S.B. 872, companion bill, died in Senate.)

Municipal Bonds - Validation - H.B. 118, approved February 12, 1951, Chapter 16, validates bonds and notes issued by counties, cities, towns or utility districts for public corporate purposes.

Dissolution of Nonprofit Corporations - S.B. 717, approved March 9, 1951, Chapter 110, amends Section 4155, Tenn. Code, relating to dissolution of corporations for general welfare and not for profit. (H.B. 839, companion bill, died in Senate.)

Failed:

S. B. 405, died in Senate, would have authorized Railroad and Public Utilities Commission to investigate telephone companies.

S.B. 477, died in Senate, would have created a Board for the licensing of electrical contractors.

1951 Indiana Legislation - Final Report

Regular Session: January 4 to March 5, 1951

Special Session: September 24 to October 26, 1951

A. AffirmativeEnacted:

Rural Electric Membership Corporations - H.B. 217, approved March 3, 1951, Chapter 162, amends several sections of the Indiana Rural Electric Membership Corporation Act as follows: Section 3(m) which defines the term "service" or "services" is amended to include "assisting in the establishment and maintenance of better communication between corporations and their members." (This amendment was sought in order to permit the Indiana REMC's to assist in the promotion of rural telephone development.) Section 3(p) is amended to redefine a "secondary voltage service line" as "not exceeding seven hundred fifty feet in length"; this definition is significant in connection with other provisions of the REMC Act, imposing territorial limitations. Section 18 relating to the jurisdiction of the Indiana Public Service Commission is amended by providing in subsection (d) that a violator of the territorial protection provisions shall be liable for all "witness fees and court costs" involved in litigation to enforce payment of the prescribed penalties. It also provides that the payment of the penalties by a violator "shall not avoid the necessity of complying with the provisions" of this section.

(This bill was sponsored by the Indiana Statewide Rural Electric Cooperative Association, Inc. As originally proposed it also included an amendment to Section 4(g) to permit REMC's to continue to operate in cities and towns where the population has increased beyond the 1500 limit or which have extended their corporate limits to include additional areas receiving service from a cooperative.)

Rural Telephone Cooperative Act - H.B. 221, approved and effective March 5, 1951, Chapter 193, patterned after the REMC Act, was prepared by the Indiana Public Service Commission and endorsed by the Indiana Statewide. It passed the House on February 17 by a vote of 84-2 and the Senate on February 26 by a vote of 35-0.

The act provides for the formation of non-profit membership corporations to be known as rural telephone cooperative corporations, for the purpose of promoting and encouraging the fullest possible use of telephone service in the State. It provides for the formation of local cooperative corporations whose purpose shall be to render telephone service to its members (Sec. 10) and for the formation of general cooperative corporations "for the purpose of furnishing engineering, financial, accounting and/or educational services to its members or to persons expecting to form a local cooperative corporation." A general cooperative corporation may not render any telephone service nor will it be allocated any territory by the Public Service Commission. The act contains a number of features which may prove unworkable, e.g. the provisions relating to the jurisdiction of the Public Service Commission

appear to be unnecessarily broad and restrictive and might serve as a method for hostile interests to attack a cooperative's operations; the Commission is given jurisdiction over the issuance of certificates of convenience and necessity, allocation of territory to be served, approval of the articles of incorporation; Sec. 21(a) provides "in addition to the jurisdiction of the Commission as set out in the preceding sections of the Act, the Commission shall have and exercise general supervision and regulation of every local cooperative corporation"; the provisions of Sec. 14 relating to the vote requirement for mortgaging cooperative property appear to be quite burdensome in stipulating that such action be approved by three-fourths of the members and directors present at the respective meetings; the limitation of a cooperative's operations to "rural areas" as defined in the Act is more restrictive than the authority contained in the Federal rural telephone legislation.

B. Defensive

Enacted:

Telephone Territory Certificates - H.B. 219, approved and effective March 3, 1951, Chapter 158, gives the Public Service Commission the power to require all telephone companies to obtain certificates of territorial authority for the rendering of telephone service in the State of Indiana. The Commission is given the authority to require telephone companies to report the territory in which each telephone company "now renders, is reasonably prepared to render, and proposes to render telephone service within a reasonable time." The Act also permits telephone companies to apply for territorial certificates to serve areas where it "proposes to render telephone service within a reasonable time." The Commission also has the power to revoke any territorial certificate for failure "to furnish reasonably adequate telephone service."

This Act appears to be capable of being used by existing telephone companies to preempt large areas which they would "propose" to serve within "a reasonable time". These terms are not defined and such action could block for indefinite periods attempts by newly organized corporations to bring service into unserved rural areas. It might also result in the "freezing" of unsatisfactory service in rural areas until the Commission exercised its power to revoke territorial certificates.

Corporation Reports - H.B. 255, approved March 2, effective May 1, Chapter 145, requires all corporations organized or doing business in Indiana, regardless of act of incorporation or whether reports are required to be filed with other State departments, to file with the Secretary of State within 30 days after June 30 of each year, commencing in 1951, annual reports furnishing information prescribed in the act, on forms as prescribed by the Secretary of State.

C. CollateralEnacted:

Practice of Engineering - S.B. 14, law without Governor's approval on March 2, Chapter 125, reinstates subsection (e) of Section 9, Acts 1947 (Burns 63-1536) exempting from registration persons performing engineering or land surveying services on property owned or leased by persons, from a corporation furnishing the services.

Non-Profit Corporations - S.B. 156, approved and effective March 2, Chapter 130, amends the Not-For-Profit Corporation Act with respect to (a) time of annual meeting; (b) terms of office; (c) executive committees; (d) offices; (e) election of officers by members; and (f) dissolution. (H.B. 398, providing for election of officers by members, passed House, 85-0, but died in Senate where it was superseded by S.B. 156.)

Utility Rates - H.B. 113, approved and effective March 3, Chapter 161, amends Section 64 of the 1913 Public Service Commission Act to require publication of notices of filing petitions or complaints concerning rate changes or services.

Mortgage Recordation - H.B. 107, approved and effective March 5, Chapter 239, amends sections 4 and 10 of the 1935 chattel mortgage recording law (Burns 51-504, 510) to provide that mortgages covering both real and personal property when recorded in the county recorder's office shall constitute a lien on the personal property covered thereby; and establishes method of and fee for recording.

Failed:

Utility Labor Disputes - S.B. 87, H.B. 134, died in respective Houses, would have repealed 1947 Public Utility Compulsory Arbitration Law. H.B. 517 would have established machinery for the settling of public utility labor disputes.

Electrical Licensing - S.B. 109, passed Senate (20-10), died in House, would have provided for licensing of electricians and prohibited wiring installations except by licensed electricians, but exempting electrical work on farms, and private homes.

Public Service Commission - S.B. 150, died in Senate, would have abolished present Commission and established a new 3-man Commission. H.B. 476, died in House, would have re-established a Commission with members appointed by the Governor, confirmed by the Senate, holding staggered terms, etc. H.B. 488 would have authorized the PSC Public Counselor to institute investigations of public utilities.

1951 Michigan Legislation - Final Report
 Regular Session: January 3 to June 29, 1951
 Special Session: August 20 to August 22, 1951

Governor's Message

The following excerpts are from the January 3, 1951 message of Governor G. Mennen Williams to the 66th Legislature of Michigan:

"Rural electric co-operatives for the distribution of electric power constitute an important factor in our agricultural economy. Farm groups have urged the same right to acquire property by condemnation which is now enjoyed by utility companies organized for profit. With this suggestion I concur, and so recommend.

"Public Utilities -- The adjustment of public utility rates by the Michigan Public Service Commission has been a source of dissatisfaction to the people of Michigan. I urge that you enact legislation to prevent changes in utility rates until all interested parties have had an opportunity to be heard, and the report of the Commission's staff has been made a matter of record. This, to me, is consistent with every sound concept of fair play. I believe, too, that the prohibition against former members, employees, and counsels of the Public Service Commission taking employment with utilities subject to its jurisdiction should be extended to a longer period than the six months provided by present law..."

The Governor went on to say, "Re-codification of the utility and carrier laws is now in progress, and the results of these efforts may be placed before you... I urge you to act on such a code only after a most careful analysis of its provisions..."

A. Affirmative

Enacted:

Electric Cooperatives - Eminent Domain - S.B. 126, approved June 5, 1951, Public Act 137, effective September 28, 1951, amends Section 450,125, Michigan Compiled Laws, 1948 (Sec. 21.126, Mich. Stat. Ann.) by adding a new paragraph providing that non-profit power corporations authorized to furnish electric service shall have the right and power to construct, maintain and operate its lines along, over, across or under any public places, streets and highways, etc. and to exercise the power of eminent domain, "in the manner provided by the laws of this State for the exercise of such powers by other power corporations constructing or operating electric facilities." A further proviso is added "that as a condition to the exercise of any of the powers herein granted, such non-profit corporations shall be subject to the same rules, regulations and requirements issued by the Michigan public service commission as shall be applicable to other corporations engaged in furnishing and distributing electric power and energy."

(This amendment was sponsored by REA borrowers in Michigan and was supported by the Michigan Association of Farmer Cooperatives. Its

purpose was to extend the right of eminent domain to the Michigan electric cooperatives. This amendment was needed in connection with the construction of transmission lines by the Michigan cooperatives. As originally introduced the bill simply gave the co-ops the authority to exercise the power of eminent domain in the manner provided by law for other power corporations; however, as finally passed, the bill was amended to make the co-ops exercising this right and using public roads, etc. subject to the jurisdiction of the Michigan Public Service Commission.)

The Legislative Committee of the Michigan Association of Farmers Cooperatives working in cooperation with REA borrowers also considered legislation exempting electric and telephone cooperatives from the jurisdiction of the Public Service Commission. While the Michigan electric cooperatives have not been regulated in the past by the Public Service Commission the language of the Public Service Commission Act of 1939 is so worded as to be capable of serving as the basis for a claim that they can be regulated as public utilities. It was felt that it would be desirable to clarify this point. However it was decided by the MAFC not to sponsor this proposal at this time.

Failed:

Telephone Co-ops - H.B. 354, passed house, died in Senate, would have amended the Michigan general corporation act by providing that "telephone companies not for pecuniary gain or profit for their members or associates may be organized under the provisions of this act."

At the present time there is no adequate enabling act under which rural telephone cooperatives can be organized in Michigan. Telephone companies are required to incorporate under the Telephone Companies Act, (Sec. 22.1411 et. seq. Mich. Stats. Ann.) and may not be organized under the non-profit provisions of the General Corporation Act. The above amendment was sponsored by Michigan REA borrowers and the Michigan Association of Farmer Cooperatives, to permit telephone companies to organize on a non-profit basis. Rep. Einar E. Erlandsen of Escanaba introduced H.B. 354 and through his efforts it passed the House on April 23 by a vote of 72 to 12. The bill died in the Senate Public Utilities Committee.

B. Defensive

Failed:

Electrical Administrative Board - S.B. 120, died in Senate, would have provided for the creation of an electrical administrative board with the authority to establish standards for electrical equipment and its installation; for statewide inspections of electrical installations and the appointment of electrical inspectors; for the licensing of electrical contracting firms and journeymen electricians; for the prohibition of electrical work except by licensees, exempting owners of single family homes deemed qualified to do the work and who obtain the required permit.

C. CollateralEnacted:

Corporate Franchise Tax - S.B. 149, approved and effective June 28, P.A. 277, amends Section 450.304, Comp. Laws 1948 (Sec. 21.205 M.S.A.) increasing franchise fees of certain corporations; specifically excludes telephone companies, but may be construed to include electric cooperatives.

Public Service Commission - S.B. 314, approved June 14, P.A. 228, amends Section 460.2, Comp. Laws 1948 (Sec. 22.13(2) M.S.A.) to provide that two members of the Commission constitute a quorum. S.B. 315, approved June 14, P.A. 229, amends Section 460.3, Comp. Laws 1948 (Sec. 22.13(3) M.S.A.) to increase salaries of commissioners. S.B. 316, approved June 21, P.A. 275, amends Section 460.1 Comp. Laws 1948 (Sec. 22.13(1) M.S.A.) to provide for a bipartisan commission. H.C. Res. 51, adopted May 22, continued the joint committee to codify public utility laws and to present same to the 1952 Session.

Real Estate Mortgages - H.B. 74, approved March 15, P.A. 8, amends Section 565.382, Comp. Laws 1948 (Section 26.692 M.S.A.) to provide real estate mortgages not renewed by affidavit within 30 days after due date if stated, or after recording if no due date stated in mortgage, shall be considered discharged rather than merely discharged of record.

Chattel Mortgages - H.B. 484, approved June 15, P.A. 244, amends Section 566.140, Comp. Laws 1948 (Section 26.929 M.S.A.) to provide that chattel mortgages given by electrical or telephone corporations shall be filed with the Secretary of State rather than with the recorder of deeds for each county through which the lines pass.

Legislative Sessions - H.J. Res. B, adopted February 1 and ratified at April 2 election, provides for annual sessions of the legislature convening on the second Wednesday of January.

Tax Study - "State Government" (Oct. 1951) reports that a 10 member legislative tax study committee has been created to study and clarify the Michigan tax system.

Failed:

St. Lawrence Project - S.C. R. 15, memorial favoring the St. Lawrence Project, died in Senate.

Public Service Commission - H.B. 166, died in House, would have required full hearing and staff recommendations before issuance of Commission order or decree. H.B. 167, died in House, would have prohibited Commission members and counsel from accepting employment with regulated utilities for 2 years in place of present 6 month period.

1951 Ohio Legislation - Final Report
Session: January 1 to June 20, 1951

A. Affirmative

Failed:

Electric Consumers - Anti-Pirating - H.B. 499, died in the House Committee on Commerce and Transportation, would have prevented an electric light company from supplying electric service to premises which are presently being supplied with such service by another electric company unless it obtains the written consent of such company to do so. The bill provided for the enforcement of these provisions by the Ohio Public Utilities Commission.

This bill was sponsored by the Ohio Statewide. The need for this legislation arose as a result of the activities of certain commercial electric utilities in serving premises which had been receiving service from the cooperatives. Representatives of the electric cooperatives had been advised by officials of the Ohio Public Utilities Commission that they could not give them any assistance in these matters because the cooperatives were not subject to the jurisdiction of the Commission. It was decided that it would be necessary to obtain legislation to alleviate this problem. A draft of a suggested bill was furnished to Mr. John W. King, Counsel, Ohio Rural Electric Cooperative, Inc. who drafted the final version of this bill which was approved by the Statewide and introduced in the legislature by Representative Harold Short. The bill was referred to the House Commerce and Transportation Committee. Hearings were held and representatives of the electric cooperatives and the commercial power companies appeared. The arguments presented by the opponents to the bill prevailed and the Committee voted to table the bill.

B. Defensive

Enacted:

Commission Jurisdiction - Telephone Companies - H.B. 406 approved June 8, 1951, effective September 7, 1951, amends Section 614-2a, Ohio General Code, to place all telephone companies, including cooperative non-profit corporations, under the jurisdiction of the Ohio Public Service Commission. By being placed under the jurisdiction of the Commission, telephone companies would be subject to supervision as to: their general condition; franchises; capitalization; manner in which their properties are operated; approval of rates; regulation of service; issuance of certificates of convenience and necessity; approval of merger or consolidation; interconnection with other telephone companies.

This act passed the House of Representatives on April 24 by a vote of 106-10 and passed the Senate on May 29 by a vote of 26-0. It was prepared by a committee established by the House Committee on Agriculture in the 1949 session and was supported by the Ohio Farm Bureau, the intent of the bill being to bring about improved rural service by the small independents.

C. CollateralEnacted:

Engineer Registration - S.B. 77, approved June 7, effective September 7, amends Section 1083-13, Gen. Code, relative to qualification for registration as a professional engineer to require graduation from an engineering school approved by the board.

Rural Telephones - Sub. H.B. 146, approved June 8, effective September 7, increases assessments on utilities to enable Commission to assist rural telephone service.

Assignment of Accounts Receivable - Sub. H.B. 260, approved May 18, effective August 17, repeals and reenacts Section 8509, Gen. Code, relative to assignment of accounts receivable.

Anti-Sabotage - H.B. 444, approved May 25, effective August 24, adds Section 12401-1, Gen. Code, to make sabotage of communications and electrical equipment a felony.

Failed:

Telephone Rates - S.B. 112, died in Senate, would have added Section 614-21a, General Code, to permit area adjustment of telephone rates by the Public Utilities Commission without considering the complete territory served by a telephone company, upon petition of 25 persons and demonstration that the area is an autonomous unit in the company operations.

Utility Appliance Sales - H.B. 258, died in House, would have prohibited electric or gas appliance sales by public utilities.

Public Utility Labor Disputes - H.B. 259, died in House Committee, would have established an arbitration board to settle public utility labor disputes.

1951 West Virginia Legislation - Final Report
Sessions: January 10 to March 10 (12), 1951

A. Affirmative

No bills were introduced which would have affected either the rural electrification or rural telephone programs.

B. Defensive

No bills adversely affecting the rural electrification and rural telephone programs were reported.

1951 Illinois Legislation - Final Report
Session: January 3 to June 30 (July 1), 1951

A. Affirmative

Prior to the adjournment of the 1949 Illinois Legislature a draft of suggested legislation granting the power of eminent domain to electric cooperatives, together with a detailed statement on various aspects of the proposed bill, was prepared and forwarded to the Association of Illinois Electric Cooperatives on request. No action was taken on this subject during the 1949 session. Inquiry was made of the Illinois Statewide at the beginning of the 1951 session of the legislature as to their program on this matter but no action was taken and legislation on this subject was not introduced. The desirability of clarifying the status of telephone cooperatives before the Illinois Commerce Commission was also brought to the attention of the Illinois Statewide. No affirmative legislative program was undertaken.

B. Defensive

Failed:

Monthly Meter Readings - H.B. 685, died in House, would have required monthly meter readings for all electric and gas meters and would have provided that no consumer "shall be billed or required to pay for any gas or electricity for which a meter reading has not been taken or billed or required to pay on the basis of any meter reading taken more than one month after the last preceding reading."

The Association of Illinois Electric Cooperatives appeared at the hearing on this bill and recommended an amendment to exempt electric cooperatives from its provisions. Another amendment to make the bill effective in cities of 50,000 population and over was also suggested. The Association was active, through its members, in informing members of the legislature of the burdens which this bill could impose on electric cooperatives. It was reported that this bill was sponsored by a group reading gas meters in Chicago and that its purpose was to provide more jobs for meter readers.

C. Collateral

Enacted:

Corporations Not For Profit - Conversion - H.B. 279, approved May 18, 1951, effective July 1, 1951, amends the act relating to corporations not for pecuniary profit to provide a procedure for the conversion of non-profit stock and membership corporations organized under other statutes or by any Special Act of the Legislature to corporations under the "Not for Profit Corporation Act."

Mortgage Recordation - H.B. 1003, approved July 9, amends Section 1 of the 1874 recordation act to provide that mortgages heretofore or hereafter executed by a public utility, in the manner provided for real

property mortgages, may include both real and personal property, and shall constitute a valid lien on all property described therein in any county where the mortgage is recorded as a real property mortgage. B.H. 1002, amending the 1872 act on conveyances, would have effected the same result; it was tabled in the House.

H.B. 229, approved May 17, amends Sections 8 and 9 of the 1874 recordation act to require mortgages of real or personal property, upon payment, to execute an instrument of release which shall be recorded.

Sales of Utility Property - H.B. 268, approved August 2, amends Section 27 of the 1921 utilities act, to permit the Commerce Commission to waive approval of sales of property involving less than \$25,000 and leases with annual rental of less than \$25,000.

Plumbing - H.B. 665, law without approval on July 26, 1951, repeals and re-enacts a law governing the licensing and registration of plumbers, and regulating the practice of plumbing.

Public Utilities Laws - H.B. 719, approved July 9, creates a Public Utilities Law Commission, to study the operation and administration of the Public Utilities Law and the functioning of the Commerce Commission; report to be made by February 1, 1953 to the General Assembly.

Failed:

Telephone Tax - S.B. 686, died in Senate, would have authorized municipalities to tax telephone toll calls where the charge exceeds 5¢ per call.

Public Utilities - H.B. 37, 38, both tabled in House, would have established Department of Public Utilities and conferred certain powers and duties thereon in matters before the Commerce Commission.

1951 Iowa Legislation - Final Report
Session: January 8 to April 17 (24), 1951

A. Affirmative

Enacted:

Electric Transmission Lines - Eminent Domain - S.F. 323, approved April 5, 1951, effective July 4, 1951, amends Section 489.14, Code of 1950 relating to eminent domain for electric transmission lines by extending the right of condemnation for the construction of generating plants. Homestead sites, cemeteries, orchards and school buildings are excluded from condemnation. The explanatory statement accompanying this bill points out that because of the demand for additional electric power it is necessary to build large power plants and substations. This construction requires space for private railway sidings, water cooling towers, transformers, etc., along with large amounts of space for storing supplies of coal and equipment. Under the previously existing law cooperative generating plants and private utilities did not have the right to condemn property for such plants. H.F. 462 (same as S.F. 323), died in House.

B. Defensive

Failed:

Public Utilities Commission - H.F. 541, died in House, would have created the Iowa State Public Utilities Commission with complete regulatory powers over public utilities, including electric and telephone. The term "public utility" is defined to include cooperative corporations or associations. The bill would have abolished the Iowa State Commerce Commission and transferred from the Iowa Natural Resources Council authority over milldams and races.

H.F. 112, withdrawn from House, would have established the Iowa Public Utilities Commission and provided for the regulation of services and rates of all public utilities, including electric and telephone, operating within the State. The explanatory statement to this bill states that its purpose is "to provide reliable service at reasonable rates to the public by the public utilities, and to protect the public utilities from a multiplicity of regulations and unfair competition."

H.F. 248, died in House, would have amended Chapter 474, Iowa Code, 1950 relating to the Iowa State Commerce Commission, to provide for the appointment of commissioners and enlarge the jurisdiction of the commission to include all public utilities. The explanatory statement to this bill states that its purpose is "to change the selection of the commerce commissioners from elective to appointive, and to raise the salaries to insure the continued high caliber of the commissioners." It also enlarges the jurisdiction of the commission to bring all utilities, including power and telephone, within public regulation because "it is believed that utilities are affected with a public interest and ought, therefore, to be subject to public regulation."

H.F. 389, died in House; S. F. 380 (same as H.F. 389), died in Senate; would have provided for the creation of a Public Service Commission of Iowa invested with broad regulatory powers over both telephone utilities and mutual telephone companies. Included in the powers of the commission would have been the authority to issue certificates of convenience and necessity for all construction, the approval of rates, the approval of corporate reorganization, the right to require interconnection of telephone lines and systems, etc. The explanatory statement to these bills indicated that there is need in Iowa for this type of regulatory body in order to insure the public of adequate telephone service at rates that are fair and reasonable.

H.F. 390, died in House; S.F. 381 (same as H.F. 390), died in Senate; would have created a Public Service Commission of Iowa with powers and authority to regulate all telephone utilities. These bills are companion bills to H.F. 389 and S.F. 380 (see above).

Electricians - Licensing - H.F. 521, died in House; S.F. 181 (same as H.F. 521), died in Senate; would have established standards for the licensing of electricians and for the inspection of electrical installations; and created a State Board of Electricity to administer its provisions. Wiring by owner on his premises would be exempt. The explanatory statement to these bills indicates that the purpose of this legislation is "to eliminate haphazard installations which have taken a large toll in lives and property through fires caused by poor electrical work."

C. Collateral

Enacted:

Corporation Regulation - S.F. 226, approved February 21, 1951, amends sections of Chapter 491, Iowa Code, 1950, relating to the regulation and supervision of corporations for pecuniary profit, by providing for procedure to be followed in changing principal place of business of a corporation, etc.

Failed:

Public Utility Study Committee - S.J.R. 7, died in Senate, would have created an interim committee to review and study information on needed legislation for supervision of public utility rates. The resolution states that at the present time certain utility companies in Iowa may increase their rates "at any time and in such amounts as they desire" and that "there is no authority in Iowa to which application must be made for permission to make such increases in rates."

Public Utilities - Issuance of Stock - H.F. 542, died in House, would have provided for the regulation of the issuance of stocks, bond, and other evidences of indebtedness by public utilities.

Municipal Utilities - S.F. 331, died in Senate, would have amended Section 397.29, Code of Iowa, 1950 by permitting the placing of the management and control of municipally owned public utilities in the hands of a board of trustees.

H.F. 164, died in House, would have amended Section 397.39, Code of Iowa, 1950, to prevent a transfer of surplus funds earned by municipally operated public utilities when that surplus is not sufficient to pay the current year's, plus three succeeding years' principal and interest on the bonded indebtedness against such a utility.

Commerce Commission Counsel - S.F. 379, died in Senate, would have transferred the office of commerce counsel from the jurisdiction of the commerce commission to the office of the attorney general.

Non-Profit Corporations - H.F. 424, died in House, would have amended Chapter 540, Code of Iowa, 1950, relative to corporations not for pecuniary profit, by giving such corporations perpetual duration.

Notaries Public - S.F. 360, died in Senate, H.F. 440 (same as S.F. 360), died in House; would have amended Section 77.10, Code of Iowa, 1950 relating to Notaries Public, by permitting officers of a corporation to serve as a notary public and take acknowledgements on instruments running to such corporation.

Sales Tax - S.F. 210, died in Senate, would have amended Chapter 422, Code of Iowa, 1950, relating to governmental subdivision sales and use tax credits, by excepting from the exemption from such tax the purchase of goods, etc. used by a municipally operated utility.

Plumbers Licenses - S.F. 157, died in Senate; H.F. 246 (same as S.F. 157), died in House; would have amended the State plumbing code to provide for the licensing and regulation of plumbers and the investigation and inspection of plumbing installations.

Dams - Iowa Natural Resources Council - H.F. 225, died in House, would have amended Chapter 455A, Code of Iowa, 1950 relating to floodways and flood control by providing for clarification of the requirements for submitting projects affecting floodways for review by the Iowa natural resources council.

H.F. 226, died in House, would have amended Section 111.4, Code of Iowa, 1950 to provide that one State permit, issued by the Iowa natural resources council, shall be the only permit required to construct and operate a dam in the streams and rivers of the State.

Frozen Food Lockers - H.S. 582, died in House; S.F. 463 (same as H.F. 582), died in Senate; would have repealed and reenacted Chapter 172, Code of Iowa, 1950, relating to the operation of frozen food lockers, to provide more complete regulations regarding sanitary conditions.

1951 Wisconsin Legislation - Final Report
Session: January 10 to June 14, 1951

A. Affirmative

Enacted:

Securities - Public Service Corporations - A. 560 approved June 14, 1951, Chapter 389 and amended by S. 531, approved August 3, 1951, Chapter 726, amend Section 184.01(3) of the Wisconsin Statutes relating to the definition of securities by exempting from that definition "any obligation issued to the United States of America in connection with loans for telephone facilities made pursuant to the rural electrification act of 1936, as amended or (c) any securities issued by a corporation organized under chapter 185 for the purpose of furnishing telephone service in rural areas." The act also amends Section 184.05(4) relating to the proportionate classes of stock issued by public service corporations by exempting from the provisions of this subsection "common stock issued by a public service corporation which has issued or proposes to issue its notes, bonds, or other evidences of indebtedness to the United States of America in connection with loans for telephone facilities made pursuant to the rural electrification act of 1936, as amended." The act adds a new Section 196.50(6) to the Statutes which provides that "no certificate of convenience or necessity or permit to any public utility under sections 196.49 and 196.50 shall be denied by reason of the amount of its notes, bonds or other evidences of indebtedness issued to the United States of America in connection with loans for telephone facilities made under the rural electrification act of 1936, as amended, or by reason of the ratio of such indebtedness to the value of its property or to its other classes of securities."

This bill was endorsed by the Wisconsin Electric Cooperative and sponsored by telephone cooperative organizations seeking REA telephone loan funds. The necessity for this legislation arose out of the precedents established by the Wisconsin Public Service Commission in its administration of Chapter 184 of the Statutes. In accordance with its decisions the Commission had been requiring a lower ratio of indebtedness financing and a higher ratio of equity capital than would normally be required by the Rural Electrification Administration in making rural telephone loans. This requirement would have been an almost insurmountable obstacle to a rural telephone program in Wisconsin. It was pointed out by the sponsors of this bill that the primary purpose of Chapter 184 is to protect the investing public. Inasmuch as the Rural Electrification Administration makes a comprehensive investigation before making a telephone loan similar action by the Wisconsin Public Service Commission would be a duplication of effort. The amendment to Section 184.05(4) exempts cooperative and commercial telephone organizations from the "proportionate class" requirements with respect to securities issued in connection with REA telephone loans. The addition of the new Section 196.50(3) was included in order to insure against the denial of a certificate of convenience and necessity because of the ratio of federal government indebtedness. As originally

introduced on March 13, the exemptions added by this bill related merely to "obligations issued to the United States of America pursuant to the rural electrification act of 1936, as amended." The Assembly Committee on Judiciary reported it out on April 6 with amendments substantially the same as the final form of the act. The amendments were developed with the assistance of officials of the Public Service Commission who indicated that they had no objection to the bill. The Assembly passed this bill on April 13, 1951 by a vote of 77-0. In the Senate unanimous consent was obtained to have the bill placed on the calendar. However when the calendar was reached on April 20 the bill was taken off the calendar and referred to the Senate Committee on Agriculture and Conservation. A hearing was held by this committee on May 2 at which the vice-president of the Northern States Power Company was the only witness to appear in opposition. He indicated that he would withdraw this opposition if the bill were amended to make it applicable only to telephone facilities. It was proposed that the words "for telephone facilities" be added after the word "loans" in 184.01(3)(b); 184.05(4) and 196.50(6). This amendment was agreed to and on May 15 the Senate passed the bill by a vote of 29-0. The Assembly concurred in the Senate amendment on May 16 and the bill was sent to the Governor. Shortly thereafter the representatives of the Northern States Power Company realized that the provisions of Section 184.01(3)(c) did not contain this limitation and was a general exemption for all securities issued by corporations organized under Chapter 185. An amendment was added to S. 531 (a bill relating to the repeal of several outmoded sections of the Statutes) which amended Section 184.01(3)(c) to limit this exemption to corporations organized "for the purpose of furnishing telephone service in rural areas."

Cooperative Associations - Quorums - A. 490 approved June 8, 1951, Chapter 360. This act repeals and recreates Section 185.15 of the Statutes relating to quorum requirements at membership meetings of cooperatives. This amendment reduces the previous requirement for the number of members necessary to constitute a quorum.

B. Defensive

Failed:

Electrical Inspection - A. 68, died in Assembly; S. 73 (same as A. 68), died in Senate; would have provided for the supervision and inspection of electrical work and for the registration and licensing of electricians.

This bill was similar to legislation which had been introduced in the 1949 legislature and also in every legislative session since 1937. The Wisconsin Electric Cooperative appeared before the Senate and Assembly Committees which held hearings on these bills and indicated that they supported the principle of this legislation provided that certain amendments, particularly relating to reinspection, were made. The bill as introduced contained provisions which would have imposed unduly excessive financial burdens and delays in inspection for rural

consumers. Wisconsin Electric Cooperative proposed two amendments to this bill. The first would have authorized the appointment of regular employees of insurance companies, public utilities or electric cooperatives to work on a part-time fee, hourly or per diem basis to perform inspection duties in areas where it may not be practicable to employ full time inspectors. The second amendment would have required the Industrial Commission to provide for the periodic reinspection of all wiring installations not less frequently than once during each ten years.

Dams - Permits - S. 157, died in Senate, would have repealed and re-created Section 31.06(3) of the Statutes relating to permits to construct, operate or maintain dams in navigable waters. The proposed amendment would have empowered and directed the Public Service Commission to deny the permit for the construction of a dam if it is found to interfere with the public right to enjoy scenic beauty.

The Wisconsin Electric Cooperative opposed this bill which would have repealed the 1947 "Scenic Beauty Act" which had been sponsored by the REA cooperatives in order to block any effort on the part of the Public Service Commission to deny the permit for the construction of the Flambeau Dam.

Natural Water Resources - A. 544, returned to author, would have added Section 30.075 to the Statutes relating to control of natural water resources by prohibiting the removal of brush or vegetation within 10 feet of the boundary of any natural water supply.

The Wisconsin Electric Cooperative indicated that it would have appeared and opposed this bill if a hearing on it had been scheduled.

Income Tax Returns - S. 582, died in Senate, would have added Section 71.01(3)(g) to the Statutes relating to informational income tax returns.

This bill was opposed by the Wisconsin Association of Cooperatives. The Wisconsin Electric Cooperative appeared at the hearing held on this bill and pointed out some of the problems which would arise in connection with requiring cooperatives to file informational returns on thousands of small patronage dividends.

Sales Tax - A. 700, died in Assembly, would have levied a general two percent sales tax on most articles, including electricity and other utility services.

The Wisconsin Electric Cooperative appeared in opposition to this bill which was sponsored by the Farm Bureau Federation of Wisconsin.

Electric Power - Tax - A. 701, returned to author, would have levied an "excise, license or privilege tax of 5 mills upon each kilowatt hour of electric power" manufactured, generated or sold.

This bill was opposed by the Wisconsin Electric Cooperative. The bill was sponsored by the Wisconsin Towns Association as a means of relieving the general property tax load for school aid. The bill was introduced on May 10 and referred to the Joint Committee on Taxation. It was recalled on May 11 and a substitute measure eliminating the tax on electric power and imposing a surtax of 25 percent on the normal income tax was introduced.

C. Collateral

Enacted:

Telephone License Fees - S. 113, approved August 3, effective January 1, 1952, Chapter 721, repealed and recreated Section 76.38 of the Statutes, imposes a license fee based on gross revenues of telephone companies and provides for its distribution.

Taxation of Public Service Companies - A. 174, approved June 7, 1951, Chapter 319; S. 125, approved May 22, effective January 1, 1952, Chapter 239; and S. 824, approved August 3, Chapter 734, amend various subsections of Section 76 of the Statutes, relating to the administration of license fee assessments and apportionment by the State Department of Taxation, including license fees paid by electric cooperatives.

Public Service Commission - S. 327, approved July 27, Chapter 712, amends several sections of the Public Service Commission law, including those pertaining to regulation of the maintenance of dams and reservoirs.

St. Lawrence Project - A.J. Res. 6, adopted February 20, memorializes the Congress to authorize immediate development of the St. Lawrence waterway.

Failed:

Public Utility Labor Disputes - S. 227, died in Senate, would have repealed Subchapter III of Chapter 111 of the Statutes, providing compulsory arbitration of labor disputes in public utilities. The Supreme Court decision invalidating this statute made this bill moot.

S. 780 and A. 695, identical bills, died in their respective Houses, would have repealed and recreated Subchapter III, Chapter 111 of the Statutes, providing a compulsory arbitration procedure for utility labor disputes intended to meet the U.S. Supreme Court objections to the existing law.

Telephone Rates - A.J. Res. 31, passed House 84-7, died in Senate, requested the Public Service Commission to meet with the legislature on April 3 to explain the reasons for telephone rate advances.

Public Power Development - S.J. Res. 8 and A.J. Res. 11, died in each House Committee, would have amended Section 10 of Article VIII of the State Constitution, to authorize State appropriations for the creation of power districts, the production and distribution of power, and the study and development of water power resources.

Chattel Mortgages - A. 234, died in House, would have amended Sections 122.12 and 241.17 of the Statutes, to require a chattel mortgagee to file a release upon satisfaction thereof.



1951 Minnesota Legislation - Final Report
Regular Session: January 2 to April 19 (24), 1951
Special Session: April 24 to April 24, 1951

A. Affirmative

Enacted:

Cooperative Associations - Over-Issuance of Stock - H.F. 774, approved March 29, 1951, Chap. 195, permits any cooperative corporation which has issued more membership certificates or shares of capital stock than authorized by its articles to amend its articles so as to authorize a greater number of memberships or shares of capital stock than those issued, and, upon such amendment being perfected, all such excessive memberships or shares of capital stock shall be validated and legalized as of the time they were originally issued. The act legalizes and validates all acts and transactions past and future as though all memberships or shares of capital stock were valid when issued.

About twelve Minnesota cooperatives had issued shares of stock in excess of the number authorized in their articles. The Minnesota Electric Cooperative sponsored the above curative act to clear up any legal questions which could have been raised as to the corporate action of these cooperatives in connection with their operations. S.F. 651 (same as H.F. 774) returned to author.

Electrical Installations - Inspections - S.F. 974 approved April 20, 1951, Chap. 555, amends Section 326.24 Subdivision 3 and 326.32 Subdivision 2, Minnesota Statutes, relating to the inspection of electrical installations and providing for supervision by the State Board of Electricity. Under the provisions of the act all electrical installations shall be made in compliance with the National Electrical Code and shall be inspected to assure such compliance by an electrical inspector employed or certified by the State Board of Electricity. Affidavits certifying compliance with the above requirements may be filed pending inspection by representatives of the State Board.

The Minnesota Electric Cooperative sponsored the above act as a part of their 1951 legislative program. It had been found that the lack of uniformity in inspection procedures had resulted in the abuse of good electrical installation practices and that stricter regulation would be desirable. H.F. 1266 (same as S.F. 974), died in House.

Electricians - Qualifications - H.F. 781, approved April 18, 1951, Chap. 475, amends Section 326.26 Subdivision 3, Minnesota Statutes relating to qualifications for journeyman electricians by providing that applicant for a license shall furnish evidence that he has had at least four years experience in wiring, installing, and repairing electrical apparatus and equipment for light, heat and power. This bill was sponsored by the Minnesota Electric Cooperative. S.F. 661 (same as H.F. 781), returned to author.

Rural Electric Cooperatives - Windstorm Insurance Companies - S.F. 877 approved April 17, 1951, Chap. 408, permits rural electric cooperatives to organize a mutual windstorm insurance company which shall not be subject to the State insurance laws. This act was sponsored by the Minnesota Electric Cooperative.

Failed:

Easements - State Lands - H.F. 853, died in House, would have permitted the Commissioner of Conservation to grant easements over State property to rural electric cooperatives without charge.

The Minnesota Electric Cooperative had considered the possibility of sponsoring legislation on this subject in order to eliminate the present statutory reservation permitting cancellation on ninety-day notice of easements over State lands. Although a copy of the text of H.F. 853 was not made available and it was identified by title only, it is believed to include the changes sought by the State Association.

Consumers Power Districts - H.F. 711, died in House, would have provided for the creation of Consumers Power Districts in order "to secure equality of distribution of electric energy at the lowest obtainable cost to the people of this State; to protect the interests of the State in securing priority rights for the State and its people in use of electric energy from rivers and other sources, to provide competition in the generation, transmission and distribution of electric energy in all parts of the State;" etc.

It is reported that some representatives of the rural electric cooperatives supported this bill and several rural electric representatives appeared before the legislative committee and testified in opposition.

The Minnesota Electric Cooperative deferred action on legislation to clarify the tax status of transmission lines and also on the liberalization of the present requirement of a two-thirds vote of all members to approve the sale of all of a cooperative's property. It did not sponsor eminent domain legislation which had been requested by some of the northern cooperatives at the 1949 meeting of the State Association. Need for this legislation occurred in connection with obtaining flowage rights for hydro-electric developments which were being considered.

B. Defensive

Enacted:

Taxation - Electric Cooperatives - H.F. 1605, approved April 20, 1951, Chap. 590, amends Section 273.41, Minnesota Statutes, relating to the imposition of an annual tax on electric cooperatives by providing for the imposition of a five percent penalty on the amount of taxes unpaid which penalty and unpaid taxes shall bear interest at the rate of four percent per annum. S.F. 1327 (same as H.F. 1605) indefinitely postponed in Senate.

Failed:

Electric Meters - S.F. 417, died in Senate, would have required the testing of all electric meters in the State and placed this function under the jurisdiction of the Railroad and Warehouse Commission.
H.F. 1131 (same as S.F. 417), died in House.

C. CollateralEnacted:

Electricians - Licenses - H.F. 316, approved April 20, 1951, Chap. 571, amends Chap 253, Laws of 1947, as amended by Chap. 50, Laws of 1949 by extending until December 31, 1953 temporary Class B master and journeyman electrician's classifications. Holders of licenses issued under this classification may continue until they qualify as master or journeyman electrician as prescribed by law.

Villages - Utilities - H.F. 409, approved March 6, 1951, Chap. 47, validates the proceedings taken by certain villages in issuance of revenue anticipation certificates for the purpose of expanding or improving their utility plants.

St. Lawrence Project - S.F. 8, approved February 8, 1951 (same as H.F. 8), memorializes the President and the Congress of the United States to take all measures necessary to construct the St. Lawrence Waterway project.

Cooperatives - Taxation - H.F. 655, adopted April 18, 1951 (same as H.F. 54 and S.F. 237), memorializes the President, the Secretary of the Treasury and the Congress of the United States to oppose measures altering the tax status of cooperatives and other mutual organizations.

Easements - Tax Lands - H.F. 286, approved April 2, 1951, Chap. 203, amends Section 282.04 Subdivision 1, Minnesota Statutes by providing that the county auditor may grant easements over and across any unsold tax forfeited lands and in the event of sale of such land it shall be subject to such easements previously granted. S.F. 104 (same as H.F. 286), died in Senate.

Cooperative Corporations - Renewal - S.F. 123, approved April 17, 1951, Chap. 438, provides for the renewal of the period of corporate existence of a corporation organized under the cooperative laws where its period of duration has expired and the corporation has continued in good faith to carry on and transact business. A corporation may renew its corporate existence by amending its articles of incorporation so as to comply with Sections 308.05 to 308.18, Minnesota Statutes and such proceedings shall be completed within two years after the passage of this act. H.F. 165 (same as S.F. 123), died in House; H.F. 1060 (similar to S.F. 123), died in House.

Corporations - Renewal - H.F. 1561, approved April 17, 1951, Chap. 437, authorizes certain corporations not organized for pecuniary profit whose period of duration has expired to renew their corporate existence

by resolution adopted by three-fourths vote of the stock, or members in case of mutual or non-stock corporations, or by resolution adopted by a majority vote of the stockholders where the articles of incorporation provided that each stockholder was entitled to but one vote irrespective of the number of shares of stock owned by him.

H.F. 145 approved February 13, 1951, Chap. 14, authorizes the completion of proceedings for the renewal of the corporate existence of certain corporations where amendments to their articles of incorporation were not filed before the expiration of their period of corporate existence. The act provides that this action shall take place within one year after the approval of this act and validates all corporate actions done in the period from the expiration of their original period of existence. This act is not applicable for corporations whose charters have been declared forfeited by a court of competent jurisdiction. S.F. 151 (same as H.F. 145), indefinitely postponed.

H.F. 1560, approved April 17, 1951, Chap. 436, provides for the renewal of certain corporations, organized for pecuniary profit, whose period of duration has expired.

Telephone Companies - Taxation - H.F. 223, approved April 12, 1951, Chap. 316, amends Section 295.34 Subdivision 2, Minnesota Statutes relating to gross earnings taxation of telephone companies by increasing the tax from 15 cents to 30 cents for each telephone connected to the system and making the tax applicable to all systems whose gross earnings during any calendar year are \$1,000 or less. S.F. 494 (same as H.F. 223), died in Senate.

H.F. 773, approved March 22, 1951, Chap. 113, amends Section 237.32 Minnesota Statutes by providing that Section 237.30 relating to the telephone investigation revolving fund shall apply only to telephone exchanges rendering service in cities of the first and second-class and to toll properties of telephone companies operating toll lines in more than four counties of the State. S.F. 951 (same as H.F. 773), died in Senate.

Nonprofit Corporation Act - H.F. 207, approved April 20, 1951, Chap. 550, provides for the creation of nonprofit corporations. Section 5 states that "a nonprofit corporation may be formed under this act for any lawful purpose, including, but not limited to, the following purposes: agricultural, alleviation of emergencies, athletic, benevolent, charitable, civic, commercial, community welfare, education, eleemosynary, fraternal, general welfare, health, horticultural, industrial, labor, literary, patriotic, political, professional, recreational, religious, scientific, and social." The act is cited as the Minnesota Nonprofit Act. S.F. 17 (same as H.F. 207), died in Senate.

Failed:

Chattel Mortgages - H.F. 557, died in House, would have amended Section 511.04, Minnesota Statutes relating to chattel mortgages by providing that such mortgages may be executed before two attesting witnesses or acknowledged before a person authorized to administer oaths. S.F. 370 (same as H.F. 557), died in Senate.

Public Roads - H.F. 1213, died in House, would have amended Section 222.37, Minnesota Statutes by providing that any water power, telegraph, telephone, electric light, heat or power company using public roads for their lines shall be subject to county regulation as well as town, village or city regulation.

Plumbers - Licensing - H.F. 67, died in House, would have amended Sections 326.40, 326.42 and 326.45, Minnesota Statutes, relating to the licensing of plumbers by extending application of the law to all boroughs or platted areas adjacent to cities, villages or boroughs.

Public Service Commission - H.F. 1490, died in House, would have provided for increasing the powers of the Minnesota Railroad and Warehouse Commission over utilities and for changing its name to the Minnesota Public Service Commission. S.F. 1383 (same as H.F. 1490), died in Senate.

1951 North Dakota Legislation - Final Report
Session: January 2 to March 2, 1951

A. Affirmative

Enacted:

Rural Electric Cooperatives - Taxation - H.F. 783, approved March 1, 1951, Chapter 322, amends Sec. 57-3304, Revised Code of North Dakota, 1943, relating to the gross receipts tax imposed on rural electric cooperatives in lieu of a personal property tax. This section provides that during the first five years in which a cooperative is engaged in business there shall be levied a tax of one percent on its gross receipts. After the five year period the tax is two percent. The amendment clarifies when the first five year period begins by adding the following proviso: "Provided however, that for the purpose of determining when the two percent rate shall be applied that the first year during which such cooperative is engaged in business, within the meaning of this section, shall be the first year during which such cooperative is engaged in business on or before April first of that year."

Rural Electric Cooperatives - Corporate Powers - H.B. 805, approved March 9, 1951, Chapter 108, amends Sec. 10-1309, Revised Code of North Dakota, 1943, relating to the powers of electric cooperative corporations by adding the following new section 22: "To make contracts with other cooperatives, with public utilities, with municipalities, or with any department or agency of the State or Federal government, for the sale at wholesale to, or interchange of electric energy with, such cooperatives, public utilities, municipalities, or department or agency of the State or Federal government, and, notwithstanding any provisions of this chapter, such cooperatives, public utilities, municipalities, or department or agency of the State or Federal government shall be eligible to membership in corporations organized under this chapter."

This legislation was sponsored by North Dakota electric cooperatives to carry out the arrangements for the interchange of electric energy with the Otter Tail Power Company and the relaying of such energy to electric cooperatives in Minnesota. This amendment was required because the ultimate recipients of the electric energy in Minnesota do not have transmission lines in North Dakota and therefore could not qualify for membership under the existing law which limits service to members.

B. Defensive

Failed:

Interest and Amortization of REA Loans - H.C.R. "O", died in House. This resolution requested the enactment of Federal legislation to provide for fifty year REA loans at one percent interest. The resolution also requests the Administrator of REA to "refrain from increasing electric energy rates" to cooperative members, stating that members are "without recourse of appeal to any public adjustment body". (See similar resolution which failed in Montana, S.J.M. 15.)

Telephone Loans - Bank of North Dakota - S.B. 116, killed in Senate, would have authorized the Bank of North Dakota to finance the improvement, expansion and construction of telephone facilities by small commercial and nonprofit systems meeting the following eligibility requirements: (1) Loans are not to be made to systems serving, or proposing to serve more than 850 subscribers; (2) Loans are not to exceed \$25,000 to any one company or system; (3) Loans are not to exceed the amount of new money invested in the facilities by owners of systems during the preceding five years, etc. The loans were to be made for a period not to exceed twenty years and were to bear interest at the rate of three percent per annum. The bill, if it had been enacted, could have had an adverse effect on the development of area coverage rural telephone service in North Dakota.

C. Collateral

Enacted:

St. Lawrence Project-- S.C. Res. "P", adopted March 6, memorializes the Congress in favor of development of the St. Lawrence Seaway project

Yellowstone River Compact - S.B. 207, approved March 7, Chapter 339, ratifies the Yellowstone River Pact between the States of Montana, North Dakota, and Wyoming providing for an equitable apportionment of the waters of the Yellowstone River Basin.

Sales Tax - S.B. 192, approved March 9, Chapter 328, continues sales tax of 2 percent on commodities and services, including electric energy and telephone, and requires the collection of the tax from the consumers.

Electric and Telephone Lines - H.B. 594, approved March 7, Chapter 282, prohibits any change in the topography of lands under or adjacent to electric or telephone lines unless 10 days notice by registered mail is given to the owners of said lines.

Sale of Appliances - H. Res. 7, adopted March 3, requests the Public Service Commission to investigate the complaints of discrimination on the part of utility companies in refusing, withholding, or delaying the furnishing of service for electric or gas appliances purchased from dealers other than utility companies. The Commission is directed to enforce the existing law prohibiting discrimination on the part of public utilities. This resolution was passed in place of H.B. 751 (killed on the floor of the House) which would have prohibited public utilities from engaging in the sale of electrical or gas appliances.

Failed:

Telephone Rates - S.B. 52, killed in House, would have excluded from valuation for rate-making purposes telephone company property or labor supplied by any corporation owned or controlled by the telephone company unless such corporation permits the public service commission to examine its books to determine whether the prices for property and labor are reasonable.

Public Utility Rates - S.B. 230, killed in the Senate, would have prohibited a public utility from filing requests for additional rate increases while the public service commission is in the process of determining the reasonableness of the rate structure of such public utility.

Taxation - H. Con. Res. "K", withdrawn from House, would have directed the Legislative Research Committee to make a comprehensive survey of the tax and fiscal structure of the State of North Dakota.

1911-12

1951 South Dakota Legislation - Final Report
Session: January 2 to March 2, 1951

A. Affirmative

Enacted:

Electrical Construction Standards - H.B. 190, approved March 3, 1951, Chap. 21, effective July 1, 1951, amends Section 28 of the 1947 Electric Cooperative Act which establishes the National Electrical Safety Code as the minimum requirement for electric line construction. The amendment provides for an exception to the provisions of the Code in order to permit the construction or conversion of electric lines at higher voltages, with lower vertical clearance than is presently allowed, without requiring the installation of higher poles.

This act was sponsored by the South Dakota Rural Electric Association. Its enactment was sought to permit the construction of 24,940/14,400 volt lines and the conversion of existing 12,470/7,200 volt lines to higher voltages in order to obtain greater efficiency and increase line capacities, without excessive pole replacements to meet existing requirements.

Rural Electric Lines - H.B. 286, approved March 7, 1951, Chap. 141, effective July 1, 1951, amends Section 28.1002, South Dakota Code, 1939, relating to applications for the use of highways for transmitting electricity by providing that applicants wishing to construct lines for rural electrification may make one application for the construction of such lines throughout a county without showing the specific routes to be followed.

The three following bills, S.B. 201, 231 and 249, amending the Cooperative Associations Act, were sponsored by the South Dakota Rural Electric Association, to make the Act more suitable for use by telephone cooperatives.

Cooperative Associations - Election of Directors - S.B. 201, approved March 6, 1951, Chap. 19, effective July 1, 1951, amends Section 11.1106, South Dakota Code, 1939, relating to the election of the board of directors of a cooperative association. This amendment permits the election of a board of directors by such vote as may be specified in the bylaws of the corporation instead of the existing statutory requirement that "a vote of a majority of the subscribed capital stock...is necessary to a choice." It also permits the bylaws to provide for the removal of officers and directors from office.

Cooperative Associations - Borrowing from the United States - S.B. 231, approved March 6, 1951, Chap. 17, effective July 1, 1951, amends Section 11.11, South Dakota Code, 1939, by adding a new section 11.1114 which permits directors of cooperative associations to borrow money from the United States even if the amount of such borrowing exceeds the subscribed capital stock of the association. It also permits the directors to mortgage all of the corporate property of the association to the United States without first obtaining approval from the stockholders. The existing provisions of the South Dakota Code prohibited directors from creating indebtedness beyond a corporation's subscribed capital stock.

Cooperative Associations - Adoption of Bylaws - S.B. 249, approved March 6, 1951, Chap. 20, effective July 1, 1949, amends Section 11.1113, South Dakota Code, 1939 to provide that bylaws of cooperative associations may be adopted by a majority of the stockholders voting at the meeting, in place of the previous requirement of a vote of two-thirds of all the stockholders to adopt, amend, or repeal the bylaws of a cooperative association.

Failed:

Inductive Interference - H.B. 211, died in House, would have provided immunity from liability for inductive interference caused in communication circuits by electric facilities. The purpose of the bill was to relieve electric systems of liability for inductive interference, in the absence of negligent construction or operation of electric lines.

This bill was sponsored by the South Dakota Rural Electric Association. At the present time South Dakota is the only State which requires power companies to pay the expense of metallicizing parallel grounded telephone lines where such metallicizing is necessary to protect the telephone company's service.

Consumers Power Districts Act - S.B. 306, died in Senate, would have repealed the 1950 "Consumers Power Districts Act" - Chapter 17, Laws of 1950.

S.B. 284, died in Senate, would have repealed and replaced the Consumers Power Districts Act passed at the 1950 special session of the South Dakota legislature with an act which eliminates objectionable provisions included in the 1950 act. The title of the bill provides that Consumers Power Districts are to be formed "in order to secure equality of distribution of electric energy at the lowest obtainable cost among all areas and all the people of South Dakota." Its stated purpose is to "protect the interests of South Dakota in securing priority rights for the State and its population generally in use of electric energy from the Missouri River and other sources." This bill is similar to the legislation originally introduced in the 1949 regular session of the South Dakota Legislature, patterned after the Nebraska Public Power District Act. The South Dakota Rural Electric Association supported this bill.

B. Defensive

Enacted:

Electrical Contractors - Standards - H.B. 350, approved March 9, 1951, Chap. 175, effective July 1, 1951. This act establishes minimum electrical standards for the State of South Dakota and provides that all electrical wiring apparatus, or equipment shall comply with the rules and regulations of the public service commission, the commissioner of insurance, and the State fire marshal made under authority of the laws of this State and in conformity with the approved methods of construction for safety of life and property, and that the regulations

laid down in the national electrical code and the national electrical safety code as approved by the American Engineering Standards Committee shall be prima facie evidence of such approved methods. The act requires that all "electrical contractors" post a bond in the amount of \$1,00 with the Commissioner of Insurance; employees of public utilities and individuals installing wiring on their own property are exempt from the bond requirement.

Telephone Companies - Commission Jurisdiction - S.B. 120, approved March 6, 1951, Chap. 259, effective July 1, 1951, amends Section 52.1312, South Dakota Code, 1939 relating to the regulation of telephone companies by the South Dakota Public Utilities Commission. It provides for the issuance of certificates of convenience and necessity by the Public Utilities Commission to telephone companies proposing to construct lines into a territory already served by another company. The amendment provides that the certificate be issued only after an application is filed, and a determination by the commission that the public would be benefited after holding a public hearing, etc. The amendment also provides stricter standards for commission authorizations of mergers, consolidations and acquisitions of telephone companies.

Failed:

Electrical Administrative Board - H.B. 64, died in House, would have created a State Electrical Administrative Board, requiring the bonding and administration of electrical contractors, and providing for the inspection of electrical installations.

This bill is similar to a draft reported to be recommended by the South Dakota Electrical Contractors Association. Some of the provisions contained in this bill would appear to involve unduly burdensome costs, which would fall upon rural people. It is noted that H.B. 350, approved March 9, 1951 (see above) contains some of the provisions of H.B. 64.

C. Collateral

Enacted:

Utility Investigation Fund - H.B. 333, approved March 3, 1951, Chap. 260, effective July 1, 1951, creates a utility investigation fund of \$20,000 to be used by the South Dakota Public Utilities Commission for the purpose of conducting investigations or public hearings on the reasonableness of rates and charges contained in the tariff schedules on file with the Commissioner or in connection with proposed increases in such rates.

Director's Liability - S.B. 10, approved February 8, 1951, Chap. 18, amends Section 11.0706, South Dakota Code 1939, relating to the liability of Directors of Corporations by providing "that debts within the meaning of the described limitation to subscribed capital stock shall not be deemed to include debts which are secured by mortgages on real estate within this State which are given to or insured by the United States or any agency or instrumentality thereof."

Electric Energy - Purchase from United States - S.B. 309, approved February 28, Chapter 284, authorizes departments and agencies of the State government operating generating plants to enter into contracts with the United States for the purchase of electrical energy. The act provides that the State agencies shall maintain their generating plants to be available for standby service when required by the United States.

H.B. 342, approved February 27, 1951, Chapter 237, authorizes municipalities to enter into contracts with the United States for the purchase of electrical energy; to maintain their generating plants to be available for standby service; to construct the necessary facilities for the transmission of electrical energy from the point where the energy is delivered by the United States; and to allocate the net revenues from such operations toward the reduction of rates.

Tax on Fuel for Farm Electric Plants - S.B. 163, approved February 21, Chapter 457, removes the exemption from sales and use tax on motor fuel used for lighting and heating farm residences.

Cheyenne River Compact - S.B. 94, approved February 3, 1951, Chapter 282, ratifies the Cheyenne River Compact between the States of Wyoming and South Dakota providing for the use of the waters of the Cheyenne River.

Failed:

Taxation - Rural Electric Companies - H.B. 198, died in House, would have amended Section 5, Chapter 363, Session Laws 1941, relating to taxation of rural electric companies by providing for the allocation and distribution of such taxes in the same manner as other taxes on personal property are distributed.

Utility Rates - Investigation - H.B. 272, died in House, would have authorized the Governor to make an investigation of applications for rate changes filed with the Public Utilities Commission and for that purpose would have appropriated \$25,000 for the employment of personnel necessary to conduct such investigations. (See Chapter 260, Collateral - Enacted - above.)

Plumbing - Regulation - S.B. 190, died in Senate, would have empowered the State Department of Health to regulate the plumbing business in the State of South Dakota and would have created an Examining Board of Plumbers to register and license plumbers.

1951 Colorado Legislation - Final Report
 Regular Session: January 3 to March 21, 1951
 Special Session: May 17 to May 21, 1951

A. Affirmative

Enacted:

Enabling Act - Electrification and Telephone - H.B. 174, approved and effective March 28, 1951, Chap. 121, adds the following provisions for corporations organized under the Cooperative Associations Act (Article 16, Chapter 41, Colo. Stats. Ann. 1935) or under the Not For Profit Corporations Act, (Art. 13, same):

1. Allow a stockholder or member of a cooperative to serve as a director of a federated cooperative of which the cooperative is a member.
2. Reduce quorum requirement for election of directors from majority of all members or stockholders to 25 percent. (REA had recommended a lower percentage; the 25 percent figure is reported to have been arrived at by vote of the State Association.)
3. Authorize directors to mortgage property (replacing provision requiring consent of a majority of the stockholders where the cooperative owned generating facilities).
4. Authorize amendment of articles by a majority vote of the members or stockholders present or represented at a meeting, in place of former requirement of vote of two-thirds of stockholders.

Mortgage Recordation - H.B. 173, approved and effective March 28, 1951, Chap. 123 assures the effectiveness of the after-acquired property clause in REA electrification and loan mortgages and deeds of trust.

The foregoing bills were sponsored by the Colorado State Association of REA Cooperatives which also considered sponsorship of legislation amending Section 30, Chapter 137, 1935 Colo. Stats. Ann. which adopts the National Electrical Safety Code, Fifth Ed. as minimum electrical construction standards, to lower clearance requirements for 24.9/14.4 KV construction. Due to opposition from some utilities, it was decided not to have this legislation introduced. Consideration was also given to sponsorship of legislation establishing ad valorem property tax assessments on the basis of gross receipts. Because of the importance of other legislative proposals, it was decided not to sponsor tax relief legislation at this session. The need for legislation clarifying the electric cooperatives' right to acquire easements by condemnation was restudied, and it was determined that such legislation was not required at the time.

B. Defensive

Failed:

Enabling Legislation - Telephone Cooperatives - S.B. 92, failed in Senate, would have enacted the so-called "Bell" version of the Rural Telephone Cooperative Act, containing many undesirable provisions.

Cooperative Taxation - In the Senate, an amendment was offered to H.B. 68, a bill generally amending the State income tax laws, which would have repealed the exemption of mutuals and cooperatives, but not electrification and telephone organizations, from income taxation. The amendment was vigorously and successfully opposed by cooperative groups, including our borrowers who recognized the danger of an initial breach into the cooperative exemption principle. However, as a compromise, the legislature enacted S.J. Res. 18, creating an interim joint committee to investigate tax exemption of cooperatives and other exempt organizations and to report back to the 1952 session. The rural electric systems are participating in the cooperative presentation of the case for cooperative exemption.

C. Collateral

Enacted:

Commission Jurisdiction - S. Con. Res. 10, proposing a Constitutional amendment to extend the Public Utilities Commission jurisdiction over public utility rates to include their operation in all home rule cities and towns, was adopted on March 19. During the course of its consideration, the State Association proposed and later abandoned an amendment freezing the exempt status of "non-profit cooperative utilities".

Registration of Engineers - H.B. 10, enacted and effective on March 29, 1951, Chap. 161, regulates the practice of engineering and land surveying, and provides for the registration of professional engineers.

Non-Profit Corporations - S.B. 322, enacted and effective on March 29, 1951, Chap. 124, amends Section 172, 175, adding new Sections 175A, 175B and 175C, and repeals Section 173, Chapter 41, C.S.A. 1935, relating to non-profit corporations, their incorporation, purpose, and powers.

Mortgage Liens - S.B. 287, enacted and effective on March 29, 1951, Chap. 118, amends Section 123, Ch. 40, 1935 Colo. Stats. Ann. to permit the extension of the lien of mortgages, deeds of trust, or other instruments for fifteen year periods but not to exceed 30 years.

Corporations - H.B. 171, enacted and effective on March 28, 1951, Chap. 126, amends Art. 1, Sec. 24, Ch. 135, C.S.A. 1935, relating to corporations' purchase of their own stock, and stock retirement.

H.B. 172, enacted and effective March 28, 1951, Chap. 125, amends Art. 1, Sec. 52, Ch. 41, C.S.A. 1935, relating to voting power for preferred stock.

H.B. 183, enacted and effective March 28, 1951, Chap. 120, amends Sec. 7, Ch. 41, C.S.A. 1935, authorizing the filing of composite certificates of incorporation.

H.B. 399, enacted and effective on March 28, 1951, Chap. 127, amends Sec. 41, Ch. 138, Sess. Laws 1949, relating to the sale of corporate stock to employees.

1951 Kansas Legislation - Final Report
Session: January 9, 1951 to March 28 (31), 1951

A. Affirmative

Failed:

Chattel Mortgages - H.B. 65, killed in House, would have repealed Sec. 58-303, General Statutes of Kansas, 1949, relating to renewal affidavits concerning chattel mortgages. Sec. 58-303 provides that chattel mortgages shall be void after the expiration of two years after filing unless an affidavit of renewal is filed within thirty days of the expiration date. H.B. 136, failed in House, would also have repealed Section 58-303. S.B. 73, killed in Senate, would have amended Section 58-303 by changing the two year period to five years. These bills would not have affected chattel mortgages given by borrowers organized under the Electric Cooperative Act which contains suitable provisions therein; but would have affected chattel mortgages given by other borrowers.

Mutual Telephone Companies - Sale of Property - S.B. 19, killed in Senate, would have amended Section 17-1518, General Statutes of Kansas, 1949, to facilitate the disposition of assets and property of cooperative societies. This bill would have been applicable to the property and assets of certain mutual telephone companies and would have added language providing that a quorum shall consist of ten or more persons owning stock or an interest in the stock of such companies and would have validated any proceedings and actions taken at a meeting held prior to the effective date of this act.

Legislation Recommended:

A recommendation was made to the Kansas Electric Cooperative, Inc., to consider sponsorship of a bill relating to recordation of mortgages which would eliminate all questions as to the effectiveness of a mortgage or deed of trust covering after-acquired property, either real or personal, executed by cooperative or non-profit corporations, and would obviate the necessity for complying with the present requirement for periodic renewal of chattel mortgages.

A further recommendation was made of legislation to amend Section 17-3801, General States of Kansas, 1949, to permit the board of directors to mortgage property to secure an indebtedness to the United States without authorization by the stockholders.

Also recommended was a proposal to add new Section 17-4208 to permit cooperatives to amend their articles on the approval of two-thirds of those voting thereon.

None of these proposals was introduced.

B. DefensiveEnacted:

Commission Jurisdiction - Nonprofit Telephone Companies - H.B. 477, approved March 24, 1951, amends Section 66-104, General Statutes of Kansas, 1949, relating to utilities subject to the jurisdiction of the State Corporation Commission by eliminating the existing complete exemption of mutual telephone companies and adding the following proviso: "that no co-operative, co-operative society, nonprofit or mutual corporation or association which is engaged solely in furnishing telephone service to subscribers from one telephone line without owning or operating its own separate central office facilities, shall be subject to the jurisdiction and control of the commission as provided herein, except that it shall not construct or extend its facilities across or beyond the territorial boundaries of any telephone company or co-operative without first obtaining approval of the commission." The provisions of this bill also appear in Section 30 of H.B. 161, "Rural Telephone Co-operative Act" discussed below.

Failed:

Rural Telephone Cooperative Act - H.B. 161, killed in House, would have enacted a "Rural Telephone Cooperative Act, with many restrictive provisions, including complete commission regulation. This bill was essentially the so-called "Bell version of the Telephone Cooperative Act and its introduction was sponsored by the commercial telephone industry. Officials of the Kansas Electric Cooperative appeared at the hearings before the House Public Utilities Committee and testified in opposition to this legislation. It was pointed out that there was no need for this legislation. In lieu of this bill, the committee reported out H.B. 477 (see above) relating to the jurisdiction of the Kansas Corporation Commission over nonprofit telephone companies.

Electrical Administrative Board - H.B. 194, killed in the House, would have created the Kansas Electrical Administrative Board, providing for the licensing of electrical contractors and electrical journeymen, exempting utilities and electric cooperatives, and wiring by individuals on their own premises.

C. CollateralEnacted:

Disposition of Cooperative Property - H.B. 14, approved March 29, amends Section 17.1636, General Statutes of 1949, relating to disposition of property by cooperative associations or corporations organized under the provisions of Articles 15 or 16 of Chapter 17, to provide for first class in place of registered mail notice of the meeting called for such purpose.

Mortgage Foreclosures - Public Utilities - H.B. 112, approved March 28 and effective March 31, provides that foreclosure proceedings to enforce mortgages or deeds of trust of electric public utilities may be brought in the name of the mortgagee in the county in which the principal office of the utility is located.

Failed:

Electric and Telephone Franchises - S.B. 41, died in Senate Committee, would have amended Section 12-2001 of the 1949 General Statutes, relating to the granting of franchises by cities, by establishing a procedure whereby applicants who had been rejected could place an ordinance granting the franchise before the electorate.

1951 Nebraska Legislation - Final Report
Session: January 2 to May 26, 1951

A. Affirmative

Enacted:

Social Security Benefits - State Employees - L.B. 265, approved and effective April 9, 1951, extends to employees of the State and its political subdivisions and to the dependents and survivors of such employees the basic protection accorded to others by the old-age and survivors insurance system as authorized by the Social Security Act Amendments of 1950. The act authorizes each political subdivision of the State to submit a plan, for extending the insurance system to its employees, to the State Tax Commissioner for his approval. Under this act employees of public power districts may be covered into the Federal Social Security Act program. This legislation was endorsed by the Nebraska Association of Rural Public Power Districts and Membership Associations.

Legislative Recommendations:

Other legislative proposals were presented to and considered by the State Association but no action was taken thereon, viz: (a) Legislation to amend Section 70-504, Nebraska Statutes, relating to the transfer of properties between power districts, broadening the exception to this section relating to the requirement for an election in connection with the sale, lease, or transfer of an electric light or power plant, distribution system, etc., of a public power district owning or operating lines in less than thirteen counties of the State to another public power district, by providing that no election would be necessary where the transfer of lines would result in more advantageous service to consumers in either of the districts. The Association felt that there would be a great deal of opposition to this proposal since this provision had originally been enacted in order to protect the small rural districts from being swallowed up by the large power districts.

(b) Proposal to amend the General Chattel Mortgage Law to obviate the necessity of taking a new chattel mortgage every five years and to eliminate any questions as to the effectiveness of mortgages covering after-acquired property. It was felt that the broad provisions which would cover all types of cooperatives including REA cooperatives would be objected to by the other cooperatives who finance their transactions through other lenders. A suggestion to make this amendment applicable only to mortgages, etc. to secure loans from the United States or from the Rural Electrification Administration was not adopted because it was felt that there might be a hostile attitude in the Nebraska legislature toward legislation purporting to create special privileges for the United States.

B. Defensive

Enacted:

Telephone Companies - Certificates of Convenience - L.B. 250, approved and effective March 15, 1951, requires telephone companies, including cooperatives, to obtain certificates of convenience and necessity from

the State Railway Commission for the construction of new telephone lines or for the extension of existing telephone lines into territory already served by another telephone company. It provides that before issuing a certificate the Commission must find that the territory which is proposed to be served is not receiving reasonably adequate service from the company already serving the territory. This bill was sponsored by the Nebraska Railway Commission and was supported by the Nebraska Telephone Association. The State Association did not oppose this bill.

Failed:

Natural Resources - Development - L.B. 16, died in the legislature, would have established the policy of the State of Nebraska with reference to the development and control of its natural resources, including irrigation, hydro-electric power, wild life and fish and game control, etc.; would have provided for the development of such resources by the State; and would have subjected to the control and regulation of the legislative body of the State any instrumentality or agency of any other State or of the government of the United States with regard to the development of natural resources.

The State Association appeared in opposition to this bill at the hearing before the Committee on Government on February 7. It was reported that the intent of the bill was to shut out any future Missouri Valley Authority from carrying on activities within the State of Nebraska. Question was raised as to whether the bill would accomplish this purpose as it was doubtful whether the State had the authority to restrict the activities of the Federal Government.

Electric Transmission Lines - L.B. 364, died in the legislature, would have amended Sections 86-318 and 86-319, Revised Statutes of Nebraska relative to the procedure to be followed in making application to the State Railway Commission for construction of electric transmission lines, requiring at least 120 days notice to all property owners affected.

The Nebraska State Association appeared in opposition to this bill at the hearing before the Judiciary Committee on March 21, as did representatives of the large public power districts.

Sales and Use Tax - L.B. 296, died in the legislature, would have created a retail sales and use tax of two percent. The bill provided for a definition of retail sales which would have included sales of electricity and communication services.

C. Collateral

Enacted:

Power Districts - L.B. 28, approved February 16, amends Section 70-614.01, Rev. Stats. 1943, including Dodge, Saunders and Washington counties in District 3, for the purpose of election of directors.

L.G. 128, approved March 17, amends Section 72-224.02 and .03, Rev. Stats. 1943, relative to procedure for condemning school lands.

L.B. 146, approved May 21, amends several sections, prescribing a uniform procedure for condemnation of property; includes amendment of power district laws and of Electric Cooperative Corporations Act (Section 70-704) relating to the power of eminent domain.

L.B. 400, approved April 9, amends Section 70-620, Rev. Stats. 1943, limiting to \$500,000 the treasurer's bond.

L.B. 441, approved April 6, amends Section 70-639, Rev. Stats. 1943, relative to contract awards, by providing conditions for determining best bid.

Airport Restrictions - L.B. 548, approved May 31, restricts overhead lines within one mile of an approved and licensed airport.

Public Utilities - Securities - L.B. 366, approved March 26, amends Section 75-710, Rev. Stats. 1943, requiring approval by the State Railway Commission of security issues by commercial utilities and establishing a schedule of fees.

Failed:

County Telephone Systems - L.B. 313, died in legislature, would have authorized counties to establish public telephone systems.

Power Districts - L.B. 374, died in legislature, would have amended Section 70-626, Rev. Stats. 1943, relating to public power districts, authorizing the operation of facilities "for the transmission of radar, radio, and other electronic methods of communication".

1951 Wyoming Legislation - Final Report
Session: January 9 to February 17, 1951

A. Affirmative

No affirmative legislative program was undertaken by REA borrowers. No bills were introduced which would have affected either the rural electrification or rural telephone programs.

B. Defensive

No bills adversely affecting the rural electrification or rural telephone programs were enacted.

C. Collateral

Eminent Domain - H.B. 53, approved February 16, Chap. 70, amends and re-enacts Section 3-6301, Comp. Stats. 1945, relative to eminent domain for electric power transmission lines, etc.

Resources - S.B. 97, approved February 16, Chap. 73, creates the Wyoming National Resource Board, superseding State Planning and Water Conservation Board.

Yellowstone River Compact - S.B. 1, approved January 27, Chap. 10, ratifies and approves the Yellowstone River Compact with the States of Montana and North Dakota.

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1951 Arkansas Legislation - Final Report
 Regular Session: January 8 to March 8, 1951
 Special Session: April 9 to April 18, 1951

A. Affirmative

Recommendations were made to the Arkansas State Electric Cooperative to consider the sponsorship of several legislative proposals to meet a number of problems facing the rural electric cooperatives in Arkansas. These proposals were to amend the following sections of the Electric Cooperative Corporation Act: (a) Sections 77-1104 and 77-1119, Arkansas Statutes, 1947, in order to facilitate the incorporation and operation of federated cooperatives; (b) Section 77-1111, to provide for the amendment of bylaws by members rather than by directors; (c) Section 77-1115, to limit number of proxies which may be voted by any one person to three; (d) Section 77-1126 to clarify the membership vote necessary for amendment of articles; and (e) Sections 77-1105(8) and 77-1131 to continue the right of a cooperative to operate in a rural area subsequently annexed by an incorporated or unincorporated city, town or village. Also recommended was a proposal to amend the contractors' licensing law (Act 124, Arkansas Acts, 1939) so as to exempt from its provisions projects financed by the Federal Government. This was suggested because of the difficulty experienced from time to time in securing competitive bids on contract work in Arkansas. The State Association decided against sponsoring any legislation at the 1951 session of the legislature and none of the above proposals was introduced.

B. Defensive

Enacted:

Rural Telephone Cooperative Act - H.B. 69, approved February 9, 1951, Act 51, enacts a version of the Rural Telephone Cooperative Act, containing several restrictive provisions, including (a) a limiting definition of "telephone service" (Sec. 2(10)), defining "telephone service" to mean "any communication service whereby voice communication through the use of electricity and wire connection between the transmitting and receiving apparatus is the principal intended use thereof.." (the limitation to service by "wire connection" would preclude the use of radio-telephony which might well be the only feasible method by which a telephone system could give area coverage to the less densely populated rural areas); (b) limiting service to rural areas (Secs. 3, 4(4) (5) (8)); and (c) placing the cooperatives under the jurisdiction of the State Public Service Commission, requiring the securing of certificates of convenience and necessity from the Commission, and providing for the allocation of the areas to be served by the cooperative (Sec. 32).

Failed:

Poles - Tax - H.B. 408, died in House, would have provided for the imposition of a privilege tax of \$3.00 per pole for each pole owned by a public utility resting on State-owned property, exempting all privately owned public utilities with 1,000 customers or less.

C. CollateralEnacted:

Public Utility Rates - S.B. 221, approved February 26, Act 156, makes it a misdemeanor for any public utility furnishing electricity, etc. to the general public to bill consumers except in accordance with filed schedules.

Contractors Licensing - H.B. 318, approved February 23, Act 153, amends the Contractors' Licensing Law.

Arkansas Tax Commission - H.B. 368, approved February 23, Act 155, abolishes the Tax Commission and transfers its functions to the Public Service Commission.

H.B. 2, a similar bill passed House and Senate but House failed to concur in Senate amendment.

Licensing of Plumbers - H.B. 323, approved February 28, Act 200, provides for the licensing of plumbers, the supervision and inspection of plumbing, and for the adoption and enforcement of minimum, uniform standards by plumbing code.

1951 Louisiana Legislation - Final Report
Special Session: June 18 to June 29, 1951

[The Louisiana Legislature did not meet in regular session in 1951. The fourth special session was called for the purpose of considering legislation relating to civil defense, schools, appropriations, etc. It did not consider legislation affecting the REA programs.]

1951 Missouri Legislation - Interim Report, November 27, 1951
Session: Convened January 3, 1951 - Still in Session

A. Affirmative

Pending:

Rural Electric Cooperatives - Board of Directors - H.B. 284, passed House April 18, 1951 (111-8), pending in the Senate, amends Section 394.140 Rev. Stats. Mo. 1949 (Section 5395, Rev. Stats. Mo. 1939) relating to the qualifications for members of the board of directors of a rural electric cooperative provides that in lieu of the present requirement that a director be a member of the cooperative, he may be "a member, a stockholder, or an employee of a cooperative or other corporation which is a member thereof."

This bill was sponsored by the Missouri State Rural Electrification Association in cooperation with the Missouri Farm Bureau Association and the Missouri Farmers Association. Enactment of this bill is sought to eliminate doubts raised by certain cases in other jurisdictions as to whether a cooperative could be an incorporator of another cooperative, whether a cooperative, through its individual representative, could be a director of another cooperative, and whether federated cooperatives are permitted under the Rural Electric Cooperative Act. A similar amendment was offered in the 1949 session of the Missouri legislature and was defeated. The bill was passed by the House on April 8 by a vote of 111 to 8. At the hearing held by the Senate Agriculture Committee on May 14, representatives of commercial power companies and of organized labor appeared in opposition while a large delegation of rural leaders representing the rural electric cooperatives and the Missouri Farmers Association testified in support of the bill. The bill was reported out of Committee with a recommendation of "do pass" and is pending in the Senate as of November 27, 1951.

Electrical Service - "Pirating" of Consumers - H.B. 308, passed House April 25, 1951 (95-3), pending in Senate Judiciary Committee; as originally introduced, Section 1 of this bill provided that no offer of electrical service may be made to any premises already receiving such service without first obtaining the written consent of the present or former supplier of such service. Section 2 of the bill further provided that its provisions were to be enforced by the public service commission where both suppliers of service are public utilities subject to the control of the commission and in all other cases by any court of competent jurisdiction upon proper complaint. This bill was reported from the House Committee on Rural Electrification on March 14 with the recommendation that it "do pass". On March 21, Section 1 of the bill was amended to permit service "on request of the consumer where parallel lines are in operation at the effective date of this act, or where the consumer is willing to connect his line with that of another producer." On April 12 the bill was further amended to add Section 3 which provided that this act shall not apply where the franchise of an electrical corporation expires and a municipality elects to grant a

franchise to another supplier. This new section also provided that if on June 30, 1951 there were two or more convenient sources of supply of electrical energy available to a consumer, the consumer could select either of the utilities as a source of supply. The bill passed the House with these amendments on April 25, 1951 by a vote of 95-3. It is presently in the Senate Committee on the Judiciary where it has been decided to let it remain because of the adverse amendments adopted by the House.

This bill was sponsored by the Missouri State Rural Electrification Association in cooperation with the Missouri Farmers Association. Its enactment was sought to meet the problem arising out of the activities of some commercial power companies in soliciting consumers who are already receiving service from rural electric cooperatives.

Consideration was also given to amendment of Section 5388, Rev. Stats. Mo. 1939, to empower a cooperative to continue to furnish service in areas which have ceased to be rural by reason of increase in population or inclusion in a city, town or village, or otherwise. A similar provision had been included in S.B. 93 which was considered at the 1949 legislative session. However, prior to enactment of S.B. 93, this provision had been amended to require a cooperative to sell its property within the municipal boundaries to the municipality or private utility holding a franchise therein. The State Association decided not to sponsor legislation on this subject during the 1951 session.

Rural Telephone Cooperative Act - H.B. 286, passed House April 18, 1951 (108-3), pending in Senate Judiciary Committee, as originally introduced and referred to the House Committee on Judiciary, was essentially the same as the model Rural Telephone Cooperative Act. It was reported from the Committee on March 21, 1951 with the recommendation that it "do pass" with two committee amendments. The first of the committee amendments struck out the provisions of Section 25 exempting cooperatives from the jurisdiction of the Public Service Commission and substituted new language specifically making telephone cooperatives subject to the supervision and jurisdiction of the Public Service Commission. The second amendment would have added to the definition of "rural area" language eliminating therefrom any suburban or populated area contiguous to the boundaries of any city, village or borough having a common economic, social or administrative interest with such city, village or borough. On March 22, the House adopted amendment number one as recommended and amendment number two after adopting a further amendment limiting the restriction to areas within one mile of the boundaries of any city, village or borough if such suburban area has a common economic, social or administrative interest. The House passed this bill on April 18 by a vote of 108 to 3. The bill is presently before the Senate Judiciary Committee.

This bill was sponsored by the Missouri Farmers Association in cooperation with the Missouri State Rural Electrification Association and other farm organizations. It had been recommended earlier that the Missouri Cooperative Companies Act be amended to make it available for the formation and operation of telephone cooperatives, and that a bill to require compulsory interconnection be considered. However, it was

decided to sponsor the model Rural Telephone Cooperative Act. As a result of the adverse amendments placed in the bill by the House, it is doubtful whether further efforts will be made to obtain the final enactment of this bill unless the amendments can be eliminated in the Senate.

B. Defensive

Failed:

State Electrical Board - H.B. 99, dropped from House Calendar, would have established a State Electrical Board and provided for the registration and licensing of electrical contractors and the inspection of electrical installations.

C. Collateral

Enacted:

Professional Engineers - S.B. 173, relating to the registration of architects and professional engineers, repeals and re-enacts several sections of Chapter 327, Rev. Stats. 1949.

(Final status of all the following bills has not yet been ascertained; status shown is as of September 1, 1951.)

Pending:

Nonprofit Corporations - S.B. 15 would enact a nonprofit corporation enabling bill.

Eminent Domain - S.B. 262, repeals and re-enacts Sections 523.010 and .050, Rev. Stats. 1949, relating to condemnation procedure.

Public Service Commission - H.B. 23, adversely reported by Committee, would amend Section 386.020, Rev. Stats. 1949, to delete definition of "person" from public service commission law. (The purpose of this bill is unknown.)

Telephone Billing - H.B. 110, dropped from calendar, would require a monthly statement to subscribers of measured telephone service, showing actual register reading of the number of local calls.

Utility Labor Disputes - H.B. 112, tabled, would repeal Sections 295.010 to .210, Rev. Stats. 1949, relating to the mediation of labor disputes in public utilities.

H.B. 201, adversely reported by committee, would repeal and re-enact Chapter 295, Rev. Stat. 1949, relating to labor disputes involving public utilities.

H.B. 348, adversely reported by committee, also deals with labor disputes involving public utilities.

1951 Oklahoma Legislation - Final Report
Session: January 2 to May 18 (19), 1951

A. Affirmative

Enacted:

Pole Truck Length - S.B. 125, approved and effective May 31, 1951, amends Title 47, O.S.L. 1949, Ch. 4, Sec. 116.1, Subsec. 3, relating to permissible truck lengths. As originally introduced, the bill eliminated all restrictions upon length of vehicles hauling poles for construction or maintenance of power communication lines. It was amended to permit such hauling at night in emergency and to limit over-all length to 80 feet (in place of 50 feet) subject to traffic and road restrictions imposed by commissioner of public safety.

Renewal of Chattel Mortgages - H.B. 338, approved and effective May 26, 1951, amends Title 46, O.S., Sec. 61, to exempt all REA mortgages, deeds of trust or other instruments from the requirement that chattel mortgages be renewed by affidavit every three years.

Failed:

Easements over Public Lands - S.B. 139, amending section 3(k) of the Rural Electric Cooperative Act (Title 18, O.S. 1941, Chap. 10, Sec. 437.2(k)) permitting the use of public lands and thoroughfares by electric cooperatives without charge or fee, failed to pass.

Relocation of Electric Lines - S.B. 188, absolving electric cooperatives from the cost of removing and relocating lines located within the limits of any county road or highway and required by the county commissioners to be removed where the cooperative had previously requested the commissioners to make a survey to locate missing or obliterated section corners and such survey was not made, failed to pass.

Telephone Cooperative Enabling Legislation - S.B. 155, the Rural Telephone Cooperative Act, was introduced by 43 members of the Legislature, under the sponsorship of the State association which had decided to sponsor this legislation rather than a bill amending the Cooperative Corporation Act to authorize formation of cooperatives to render telephone service. The bill met with determined opposition from Southwestern Bell and the Oklahoma Telephone Association whose representatives offered the "Bell" version of the bill at hearings before the Senate Committee on Agriculture. Attempts to work out a compromise bill in the Committee were only partially successful. The telephone industry insisted on full Corporation Commission regulation which was rejected by the Senate Committee. The bill passed the Senate on April 4, as an emergency measure by a vote of 33-3, with amendments specifically giving the District Courts jurisdiction to determine whether existing service was adequate, giving the Corporation Commission jurisdiction over rates and charges within the limits of any city or town, over all charges, and over apportionment of tolls, and deleting the exemption from income and excise taxes. The House Committee on Local, State and Federal Government reported the bill favorably on

May 1 with amendments placing the burden on the owner of existing facilities to seek injunctive relief against duplication of such facilities which are claimed to be adequate, and eliminating Corporation Commission jurisdiction. The House, after amending the bill on May 9 to place telephone cooperatives under the Corporation Commission jurisdiction, further amended the bill on May 10 to eliminate Corporation Commission jurisdiction, to require telephone cooperatives to interconnect with adjacent exchanges where they seek to compel interconnection, to establish a presumption that existing service is adequate, and to waive bonds where owners of existing facilities seek to enjoin duplication. On May 15, the bill finally passed the House by a vote of 95-5 with an additional amendment providing that where a cooperative duplicates existing lines, after a court finding that existing service is inadequate, it shall be requested by the District Court to compensate the owners of the existing lines for their reasonable cash value as determined by the Court. The Senate concurred in the House amendments. On June 2, Governor Johnston Murray vetoed S.B. 155.

Recordation of Easements at Actual Cost - H.B. 242, authorizing county clerks to record and index at, actual cost, easements through rural lands to rural power, communications, etc. systems, if submitted in blocks of 25 separate instruments; amended in committee to require blocks of 100 instruments; failed to pass.

24.9/14.4 KV Construction - Clearance Requirements - Exception to NESC Introduction of legislation amending section 3(b) of the Rural Electric Cooperative Act to permit lower clearances than are permitted under the National Electric Safety Code was considered but was not introduced. The State association took the position that the more desirable way of effecting the change was through amendment of the Code.

B. Defensive

No bills adversely affecting the rural electrification and telephone programs were introduced.

C. Collateral

Enacted:

Grand River Dam Authority - S.B. 61, approved and effective on February 21, 1951, repeals Title 74, O.S.L. 1947, Sec. 356.19 which provides that the Oklahoma Planning and Resources Board shall not have any authority to acquire or exercise jurisdiction over the property of the Grand River Dam Authority.

Canadian River Compact - S.B. 105, approved and effective on March 22, 1951, ratifies the Canadian River Compact between the States of Oklahoma, New Mexico and Texas. (See New Mexico H.B. 23 and Texas H.B. 63 on same subject.)

Recordation - Real Property Instruments - S.B. 168 (H.B. 291), approved May 26, 1951 and effective August 17, 1951, requires that every instrument affecting real property accepted by the County Clerk for recording shall by its own terms describe said property adequately for indexing

numerically as is required by Title 19 O.S. 1941, sections 289 and 291, and that instruments not complying therewith be reformed or recorded in the "miscellaneous" record only.

Taxation - Power Companies - H.B. 95, approved and effective March 9, 1951, amends Title 68 O.S. 1941, sections 15.26, 15.27, 15.28, 15.29, 15.37 and 15.53 (as amended by O.S.L. 1941, p. 251, sec. 1), to relieve power and transmission companies, etc. of the necessity of returning their properties to the Oklahoma Tax Commission by townships in counties where there is no outstanding township indebtedness, and relieve the State Board of Equalization of the requirement of certifying the valuations of such companies by townships in such counties; and relieve county assessors in such counties from listing taxable lands by townships.

Failed:

Appliance Sales - S.B. 227, amending the Business Corporation Act to provide that gas and electric public service corporations may not engage in the business of selling appliances, died in the Senate.

Grand River Dam Authority - H.B. 107, amending Title 82, O.S. 1941, sec. 868, as amended, relating to residence qualification of directors of the Grand River Dam Authority, died in the House.

Telephone Service - H.B. 121, providing for the regulation of and procedure and damages in connection with telephone transmission service, died in the House.

Corporation Commission - S.B. 161, pertaining to the regulation of rate changes and practices of public service corporations and public utilities by the Corporation Commission, and providing that no rate shall become effective unless the schedule is filed with the Commission at least 10 days prior to its effective date, and providing for notice and hearings, passed the Senate with an amendment restricting its applicability to general rate increases, died in the House.

S.B. 233, pertaining to gifts and loans to Corporation Commissioners and certain other persons, died in the Senate.

S.B. 267, relating to the inspection and regulation of public service companies and providing for defraying the costs thereof with regulatory fees, died in the Senate.

1951 Alaska Legislation - Final Report
Session: January 22 to March 22, 1951

A. Affirmative

Enacted:

Directors - Staggered Terms - S.B. 83, approved March 22, 1951, Chapter 63, amends Section 36-3-6, ACLA 1949, relating to directors and officers of cooperative associations, to provide for the election of directors for three year terms with one-third of the directors to be elected annually. H.B. 69, covering the same subject, died in the House.

This legislation was sponsored by Alaska REA borrowers to whom a draft of bill was furnished after several indicated interest in having their directors elected for staggered terms. This bill which incorporated the provisions of the model electric cooperative act relating to the election of boards of directors and providing for staggered terms either on a biennial or triennial basis, was introduced in the House of Representatives by Rep. Hendrickson as H.B. 69. This bill failed to pass the House and S.B. 83 was introduced in its place on March 7, passed the Senate on March 9 by a vote of 15-1 and the House on March 15.

Failed:

Mortgages - Cooperative Associations - H.B. 70, died in the House, relating to mortgages given by cooperative associations to the United States, would have provided for the exemption of such mortgages from the provisions of 22-6-2 and 22-6-6, ACLA 1949, pertaining to affidavits of good faith and the requirement for setting forth the date on which the indebtedness secured by the mortgage becomes due, and recognized the validity of the after-acquired property clause in REA mortgages.

This bill was introduced by Rep. Hendrickson and was sponsored by REA borrowers in Alaska. It was recommended to relieve REA and the rural electric systems of unnecessary burdens of time and expense involved by the present requirements of the law. Opposition was met from a number of cannery and merchandising cooperatives who feared that the business arrangements of these cooperatives with the Federal agencies might be disturbed. An amendment was suggested to limit the effect of the bill to mortgages given by electric and telephone cooperatives under the Rural Electrification Act, but did not permit the passage of this legislation.

B. Defensive.

No reports were received of legislation adversely affecting the REA program.

C. Collateral

Enacted:

Hydroelectric Power Resources - House Memorial 1, approved January 25, 1951, requests the Congress to re-examine and authorize the construction of the Taiya hydroelectric power project in southeast Alaska.

1951 California Legislation - Final Report
Session: January 8 to June 23, 1951

A. Affirmative

Failed:

Public Utilities Commission - Exemption of Cooperatives from Jurisdiction - S.B. 327, passed Senate January 19, (38-0), died in Assembly Committee on Public Utilities and Corporations, would have amended the Public Utilities Act by adding three new sections which would have: (a) specifically exempted nonprofit, cooperative electric corporations from the jurisdiction and control of the Public Utilities Commission; (b) prohibited any utility enterprise either commercial, municipal, or cooperative from pirating consumers of other utilities; and (c) furnished territorial protection to nonprofit cooperatives developing electric facilities to serve persons not receiving service. This bill also contained an emergency clause to give this act immediate effect upon enactment. (S.B. 61, same as S.B. 327 but without the emergency clause, died in the Senate. A.B. 1604, same as S.B. 327, died in Assembly. A.B. 1071, as originally introduced was the same as S.B. 61, but as finally enacted it related to completely unrelated matters.)

These bills were sponsored by the California Rural Electric Cooperative Association, to eliminate some of the difficulties in which the cooperatives had found themselves as a result of the action of the California Public Utilities Commission in asserting jurisdiction over the cooperatives. The California State Grange supported the cooperatives in seeking exemption from commission jurisdiction. The bill was a major issue in the 1951 session. S.B. 327, introduced by Sen. Powers, representing Lassen, Modoc and Plumas counties, was favorably reported by the Senate Committee on Public Utilities and passed in the Senate by a vote of 38-0 on January 19, 1951. It was sent to the Assembly Committee on Public Utilities and Corporations which referred it to a subcommittee under the chairmanship of G. Delbert Morris of Los Angeles. Hearings were held on this bill during January, February and March in Sacramento, Baker and San Francisco. At these hearings representatives of the REA cooperatives, State Grange, Farm Bureau and a number of cooperative members appeared in support of the bill. Representatives of the larger public utilities, including Southern California Edison Company, Pacific Gas and Electric Co. and California Electric Power Co., appeared in opposition to the bill. On March 12, 1951 the Subcommittee filed a preliminary report stating that there appeared to be no urgency for immediate passage of this bill and that no action be taken until a final report could be submitted. The final report of this subcommittee was filed on April 2, 1951, and it recommended against the enactment of the bill. A motion to discharge the Assembly Committee from further consideration and to bring the bill out on the floor of the Assembly was defeated by a vote of 41 to 29 on April 5, 1951.

B. Defensive

No bills adversely affecting the rural electrification or rural telephone programs were noted.

C. CollateralEnacted:

Public Utilities Code - S.B. 987, approved May 31, 1951, Chapter 764, establishes the California Public Utilities Code; it consolidates and revises the law relating to and regulating public utilities, but makes no substantive changes in the law. However it also includes all the amendments to the Public Utilities Code enacted in the 1951 session, some of which are noted below.

Public Utilities Code - Amendments - A.B. 389, approved May 11, Chapter 402, amends Sec. 851 of the Public Utilities Code relating to the transfer or encumbrance of utility property.

S.B. 988, approved June 2, Chap. 817 amends Sec. 6231 of the Public Utilities Code relating to the manner of granting electric and gas franchises by municipalities.

Public Utility Districts - S.B. 1717, approved June 19, Chapter 1130, amends Sec. 51b of the Public Utility District Act relating to the annexation of territory to public utility districts.

A.B. 2622, approved June 28, Chapter 1232, repeals the Public Utility Act of June 5, 1913.

Engineers - Registration - A.B. 1698, approved June 14, Chapter 1063, amends Sec. 6810 of the Business and Professions Code relating to the registration of professional engineers.

Corporations Code - A.B. 1121, approved July 7, Chapter 1377, amends several sections of the Corporations Code, including those relating to amendment of articles, merger, consolidation, dissolution, and specifically covers the method of amendment of articles of nonprofit corporations; repeals Sections 9003 and 9700 of the Corporations Code.

Central Arizona Project - S.J.R. 1, filed January 17, Res. Chapter 10, memorializes Congress in opposition to the Central Arizona Project.

1951 Idaho Legislation - Final Report
Session: January 8 to March 12, 1951

A. Affirmative

Enacted:

Nonprofit Cooperative Associations - S.B. 47, approved February 22, 1951, Chapter 51, effective May 11, 1951, amends Chapter 10 of Title 30, Idaho Code, pertaining to nonprofit cooperative associations by adding a new section providing for amending the bylaws of such association. The new section numbered 30-1006 provides that "the bylaws of any nonprofit cooperative association, incorporated under this chapter may be altered, amended or new bylaws adopted at any regular meeting or at any special meeting of the members thereof, called for that purpose, by the affirmative vote of two-thirds of the members present at such meeting; provided, that a quorum as specified in the bylaws of the association or the laws of the State of Idaho be present."

This bill was sponsored by the Raft River Rural Electric Cooperative, Inc. (Idaho 16) because of difficulty encountered in complying with the previous requirement of a vote of two-thirds of all members, and was supported by the Idaho Rural Electric Cooperative, Inc., the State association of electric borrowers.

Failed:

"Anti-pirating" Bill - A bill to prevent the "pirating" of cooperative members by commercial companies was introduced into the legislature but made no progress because of the lateness of its introduction. It was referred to the Senate State Affairs Committee, which was not familiar with the problem. It is reported that this legislation would be vigorously opposed by power company representatives. At the end of the session the State association undertook a study of the possibility of securing protection against "pirating" by subjecting the cooperatives to Commission jurisdiction.

B. Defensive

State Electrical Code - H.B. 8, passed House, died in the Senate, would have established an Electrical Administrative Board with the authority to license electrical contractors and journeymen and providing for the inspection of electrical wiring installations. The bill contained a number of features which would have worked a hardship on the rural people served by the Idaho electric cooperatives. The bill would have required permits for wiring installations which would be obtainable only from the State Board. The schedule of fees which was to be based on sliding scale depending on the cost of the electrical work could have amounted to sizable sums. Further there was no limit on the number of electrical inspectors to be appointed and because municipalities having their own inspection systems would be exempt from the provisions of the State law, the burden of the cost of the State inspection system could fall largely on the rural areas.

C. Collateral

Purchase of Electric Properties - H.B. 26, approved January 23, Chapter 3, prohibits the acquisition of an electric utility in Idaho by any organization organized or existing under the laws of any other State.

Public Utilities Commission - H.B. 250, approved and effective March 9, Chapter 100, establishes a new Idaho Public Utilities Commission.

Columbia River Compact - H.B. 52, approved February 26, Chapter 61, authorizes the appointment of Idaho members of a commission representing Idaho, Washington, Oregon, Wyoming, Montana, Utah and Nevada to negotiate a compact relating to the waters of the Columbia River and its tributaries. (See Montana, H.J.R. 6 and Washington, H.B. 217 for similar action.)

Albeni Falls Power Project - H.J.M. 6, adopted, memorializes Congress to condition appropriations for the Albeni Falls project upon a reservation to the State of an equitable portion of the power to be developed, to be disposed of by the State; and to make payments in lieu of taxes.

Public Utility Securities - S.B. 124, approved March 14, Chapter 143, adds Section 61-901-8, Chapter 9, to Title 61, Idaho Code, providing for the regulation by the Public Utilities Commission of securities issued by public utilities furnishing electric and gas service.

Palisades Dam Project - S.J.M. 4, adopted, memorializes Congress to provide funds for this project.

1951 Montana Legislation - Final Report
Session: January 1 to March 1, 1951

Governor's Message

The following excerpt is from Governor John W. Bonner's message of January 3, 1951 to the Legislature:

"I believe we should do everything possible to aid rural electrification and rural telephone in Montana with the view to extending them whenever we can to every farmer and rancher in Montana.

"Waters ---- Pursuant to the authorization of the last Legislature and an Act of Congress, we have entered into a proposed Compact with the States of Wyoming and North Dakota concerning the distribution of waters in the Yellowstone River. I urge you to carefully study this proposed Compact before giving either approval or disapproval of it."

A. Affirmative

Enacted:

Electrification - 24.9/14.4 KV Construction - Clearance Requirements - Exception to NESC - S.B. 81, amending section 24-142 of the Revised Codes of Montana, 1947, to permit minimum clearances over ground and rails to be determined by the voltage between wires and ground (if the voltage does not exceed 15 KV) where Y-connected circuits with neutral conductors effectively grounded throughout their length are used, was introduced under the effective sponsorship of the State Water Conservation Board's REA Department; it was enacted and became effective on the date of its approval, February 28, 1951, Chap. 139.

Telephone Cooperative Enabling Legislation - Sponsorship of the model "Rural Telephone Cooperative Act" was considered by the Northeastern Montana Telephone Cooperative Association because of the cumbersome procedures required under the Cooperative Associations Act. However, when it was determined that the existing law was usable, it was decided not to seek enactment of the model act.

Commission Regulation - Since the uncertainties of existing law with respect to the jurisdiction of the Public Service Commission over telephone cooperatives was one of the reasons for considering sponsorship of the model act, a draft of bill establishing their exempt status was prepared and submitted for consideration, but was not introduced.

Ad Valorem Taxation - Legislation giving cooperative telephone property the same status as cooperative electrical property was prepared and forwarded to this same group; it was not introduced.

B. Defensive

Failed:

Electrification - Commission Jurisdiction - H.B. 364, to repeal Section 14-529, Revised Code of Montana, 1947, would have deleted the section of the Montana Rural Electric Cooperative Act, exempting electric cooperatives from the jurisdiction of the Public Service Commission; killed by adverse committee report on February 14.

Cooperative Taxation - H.B. 347, to amend Section 84-301, Revised Code of Montana, 1947, would have raised the classification of electric cooperative property so that it would be assessed at 40% rather than 7% of true value; killed by adverse committee report on February 14. H.B. 379 and 388, sponsored by Montana Tax Equality Association, would have eliminated the existing provisions of Section 84-1501, Revised Code of Montana, 1947, for exemption of cooperative organizations from the license tax on corporate income, and for deduction of patronage dividends, and probably would have repealed by implication the income tax exemption provided for in the Rural Electric Cooperative Act. H.B. 379 was adversely reported on February 14. H.B. 388 passed the House (50-35) on February 16 but was defeated in the Senate on February 26 by the deciding vote of the Lieutenant-Governor. These bills were defeated only after a vigorous campaign by farm groups, including the electric cooperatives.

Discrimination against Electric Cooperatives - H.B. 41, to amend Section 11-2008, Revised Code of Montana, 1947, would have restricted the board of county commissioners to levy special property taxes to pay for electricity required by fire districts in unincorporated areas only when the electricity was furnished by a regulated utility, thereby eliminating any possibility of service by an unregulated electric cooperative. The House Committee reported the bill with an amendment striking the objectionable provision; the bill was passed in House but defeated in Senate, after vigorous opposition by the electric cooperatives and farm groups.

H.B. 42, to amend Section 11-1202, Revised Code of Montana, 1947, would have imposed strict limitations upon the power of municipalities to contract for work, supplies or materials but would have exempted electricity furnished by a regulated utility, leaving the unregulated electric cooperatives subject to the restrictions. Amended by the House Committee to exempt all power contracts; passed House (53-31); defeated in Senate (22-26) but later recommended and passed over opposition from same groups as fought H.B. 41, 39 and 40 (see "Collateral" section); vetoed by Governor.

Interest and Amortization - REA Loans - S.J.M. 15, introduced by legislators identified with the rural electrification program, requested the enactment of Federal legislation providing for 50 year loans at one percent interest, and called upon the Rural Electrification Administration "to refrain from increasing electric energy rates" to cooperative members, stating that members are "without recourse of appeal to any public adjustment body"; failed in Senate. (See similar resolution which failed in North Dakota, H.C.R. "0".)

Electrical Installations - Licensing and Inspection - H.B. 355, establishing a State Electrical Board, regulating inside electrical construction, providing for licensing of electrical contractors and for electrical inspection of all State buildings; failed in House.

C. CollateralEnacted:

Easements for Electric Lines - H.B. 195, amending section 81-803, Revised Code of Montana, 1947, relative to easements over State lands, by exempting applications for easements for transmission or distribution of electric energy from the requirement that detailed plats and measurements be given and substituting therefor provisions that "the description of the center line of the right of way by courses and distances" be given, and "the entire right of way may be applied for in one application with only one plat of the entire right of way required"; approved February 28, 1951; effective July 1, Chap. 99.

Public Power and Water Developments - S.M. 1, requesting the Congress to amend the Hungry Horse Dam legislation to prohibit the expenditure of funds for transmission lines to export Hungry Horse power outside of Montana, was adopted.

S.J.M. 8, requesting the Congress to prohibit further public expenditures for transmission lines to take Columbia Basin power out of the Basin area (to California), was approved February 28.

S.J.M. 10, requesting the Congress to prohibit further public expenditures for transmission lines to take Missouri Basin power out of the Basin area, was approved February 28.

S.J.M. 9, requesting the Congress to appropriate funds for completion of Moorhead Dam on Powder River in Montana, was approved February 28.

S.J.M. 5, requesting the Congress to appropriate funds for construction of Yellowtail Dam on the Big Horn River for power, irrigation, etc., was approved February 2.

S.J.M. 12, requesting the International Joint Commission (U.S. and Canada) to reach early decision on allocations of the waters of the Waterton-Belly rivers and submit same for approval by the respective governments, was approved February 28.

H.J.R. 6, requesting the Governor to appoint a Commission to negotiate the Columbia River Compact with the States of Idaho, Nevada, Oregon, Utah, Washington, Wyoming and Montana providing for an equitable division and apportionment of the waters of and the hydroelectric energy to be generated from the Columbia River, was approved February 23. (See Idaho, H.B. 52 and Washington, H.B. 217 for similar action.)

S.B. 72, ratifying the Yellowstone River Compact with North Dakota and Wyoming, was approved February 13, Chap. 39.

H.B. 157, establishing a "Montana Resources Development Board", was approved and became effective on March 5, Chap. 198.

Cabinet Gorge - S.B. 9, authorizing construction of a dam at Cabinet Gorge on the Clark Fork River (by Washington Water Power Co.), was approved and effective on January 25, 1951, Chap. 3.

Moving Poles and Wires - H.B. 129, amending section 24-138, Revised Code of Montana, 1947, to require persons moving structures within the limits of any city or town to pay all necessary and reasonable expense of raising or cutting wires or removing poles to facilitate such moving, was enacted; approved and effective on February 20, 1951, Chap. 55.

Corporate Consolidation - S.B. 111, providing for the consolidation of one or more corporations organized under Montana laws with one or more corporations organized under the laws of Montana, of any other State or of the United States, and prescribing the procedure therefor, etc., was approved and became effective on February 28, 1951, Chap. 175.

Failed:

Municipal Lighting - H.B. 39 would have amended Section 11-2252, Revised Code of Montana, 1947, to permit the city or town council to contract for the maintenance of lighting systems in special improvement districts without limitation as to term, whereas the existing provision imposed a 3-year limitation. The House amended the bill to impose a 25-year limit upon such contracts and passed the bill (52-37). The Senate Judiciary Committee further amended the bill to require ratification by election of taxpayers if the term of the contract was more than 3 years. The Senate killed the bill, reconsidered it, passed it; vetoed by the Governor on March 5, 1951.

H.B. 40 would have amended Section 11-964, Revised Code of Montana, 1947, to permit the city or town council to sell, dispose of or lease any street lighting system without a vote of the taxpayers as now required. The House Committee amended the bill to require newspaper publication of the proposed transaction and public notice of the council meeting; passed the House but killed in the Senate after vigorous campaign by electric cooperatives and farm groups against the bill and H.B. 39 (above) and H.B. 41 and 42 (see "B. Defensive).

H.B. 186 would have subjected to Public Service Commission regulation all securities issued by electric and gas public utilities; passed both Houses but vetoed by Governor on March 1.

Missouri Valley Authority - H.J.M. 1, requesting the Congress to defeat any proposals to establish a Missouri Valley Authority, and to protect and save Montana's water, fish, and wild life for Montana, passed both Houses but was vetoed by the Governor.

Registration of Engineers - S.B. 73 would have enacted the "Montana Electrical Engineers' Registration Act"; passed Senate February 16 but killed in House.

1951 Nevada Legislation - Final Report
Session: January 15 to March 15 (18), 1951

A. Affirmative

Failed:

Power Districts - Export Power - A.B. 274, died in Assembly Committee, would have amended the Nevada Power Districts Act (Sec. 5180.1 to 5180.18, Nevada Compiled Laws) by adding a new section permitting power districts to use their facilities for the purpose of transmitting power beyond the boundaries of the State without impairing any of the rights and privileges conferred by law upon power districts.

This bill is similar to legislation introduced in the 1947 legislature (A.B. 58) and the 1949 legislature (A.B. 31), to insure that power districts would not lose their present tax exemptions if they would permit the use of their facilities for the transmission of power beyond the boundaries of the State. The need for this legislation arises out of the problems of the Littlefield Electric Cooperative, Littlefield, Arizona, (Arizona 16). For a number of years, this cooperative has been trying to obtain a power supply through carriage arrangements with the Lincoln Power District and the Overton Power District, both in Nevada. This arrangement has been blocked because of fear of the possibility that the Nevada power districts might lose their present tax exempt status. It was hoped to overcome this obstacle through the passage of legislation specifically assuring the power districts of the continuance of their tax exempt status. Attempts to clarify the misapprehension as to the purpose of the bill and to establish the need therefor were unsuccessful.

B. Defensive

Public Service Commission - S.B. 112, died in Senate Committee and S.B. 120, died in Senate Committee, would have amended the Nevada Public Service Commission Act by extending the definition of "public utility" to include "every municipal and quasi-municipal corporation created or authorized by any law of this State."

Passage of this legislation would have placed the power districts, including REA borrowers, under the jurisdiction of the Public Service Commission.

S.B. 170, passed Senate, died in Assembly, would have amended Section 17 of the Public Service Commission Act to provide that the commission "shall have full power to make or approve rules and regulations for the connection or furnishing of service to residences or buildings of any description by any public utility."

C. Collateral

Enacted:

Power Districts - S.B. 129, approved March 17, 1951, Chapter 133, amends the Power Districts Law to increase the compensation of directors of power districts from \$5. to \$15. per day and the limit upon the amount which may be received in one year from \$1,000 to \$2,000.

Irrigation Districts - A.B. 33, approved March 3, 1951, Chapter 49, amends the law providing for the organization of irrigation districts by granting the districts the right to "generate, produce, transmit and sell electric power or electrical energy in any form."

Utilities - Purchase - S.B. 116, approved March 21, 1951, Chapter 231, amends the law authorizing unincorporated cities and towns to purchase public utilities, to permit the incurring of additional indebtedness by the board of county commissioners in the purchase of a public utility.

Corporations - A.B. 68, approved February 26, 1951, Chapter 25, amends the general corporation law with respect to the method of filing articles of incorporation with the Secretary of State and the county clerk.

A. B. 186, approved March 17, 1951, Chapter 144, amends the law relating to foreign corporations and simplifies qualifications to do business in the State.

Public Agencies - S.B. 64, approved March 12, 1951, Chapter 79, provides for the joint exercise of powers by public agencies within or without the State. Section 2 states that "if authorized by their legislative or other governing bodies, two or more public agencies by agreement may jointly exercise any power common to the contracting bodies, even though one or more of the contracting agencies may be located outside this State."

Colorado River Commission - A.B. 212, approved March 20, 1951, Chapter 160, amends the law creating the Colorado River Commission of Nevada by increasing the compensation of the members of the commission, providing that the attorney general of Nevada shall be the legal adviser of the commission, etc.

Contractors Licenses - S.B. 53, approved February 28, 1951, Chapter 43, amends the law creating the State Contractors Board by providing that it does not apply to "work done exclusively by" public utilities, or to construction "financed in whole or in part by the Federal government", etc.

Engineers Licenses - S.B. 92, approved March 22, 1951, Chapter 299, amends the law creating the State Board of Registered Professional Engineers.

Wells Power Company - A.B. 306, approved March 20, 1951, Chapter 194, gives the Wells Power Company a franchise to construct, maintain and operate electric light, heat and power lines and a telephone line from Trout Creek and Boulder Creek in Elko County to, into and through the City of Wells, Metropolis District, Clover Valley, Ruby Valley, Starr Valley, and Wendover.

Failed:

Public Service Commission - A.B. 283, died in Assembly Committee, would have required the Public Service Commission to give notice of application for change of rates and to provide for a hearing.

Power Districts - A.B. 240, passed Assembly, died in Senate, would have amended the act authorizing unincorporated towns to issue bonds by extending its provisions to include electrical power districts.

Linemen - Retirement - A.B. 182, died in Assembly Committee, would have amended the retirement act by extending its provisions to include linemen working on 750 volt electric lines.

Taxation - S.B. 57, died in Senate Committee, would have amended the revenue act to provide that the definition of "real estate" shall include "all machines and machinery that are affixed or attached to the land or to any structure thereon and/or located or upon foundations especially built to accommodate such machinery; provided, that machinery which is frequently, readily and easily moved about the free hold shall be deemed personal property."

1951 Oregon Legislation - Final Report
Session: January 8 to May 3, 1951

A. Affirmative

No affirmative legislative program was undertaken by REA borrowers in Oregon during the 1951 session of the legislature. A recommendation was made to the Oregon State Rural Electric Cooperative Association for the consideration of legislation adding a new section 77-526 to the Oregon Code relating to the effect of mortgages of after-acquired property. The purpose of this bill would have been to assure the validity of the after-acquired property provisions of mortgages and indentures securing REA loans. It was not introduced.

B. Defensive

Failed:

Cooperative Telephone Districts - S.B. 64, died in the Senate, would have amended Section 114-303, O.C.L.A. to place cooperative telephone districts under the jurisdiction and subject to the supervision and regulation of the Public Utilities Commission. It would also have amended Section 114-336 to require the accounts of such districts be kept in accordance with the uniform system provided under Section 112-411 and that annual audits be carried out by auditors approved by the Public Utilities Commissioner. Section 114-342 would have been amended to prohibit a district from entering into a binding contract for a sum in excess of \$2,000 until approved by the Public Utilities Commissioner.

Public Utility - Cooperative Telephone Company - S.B. 65, died in the Senate, would have amended Section 112-401 O.C.L.A. relating to cooperative telephone companies. It would have provided that "no plant owned or operated by a cooperative telephone company or association, mutual telephone company or association, cooperative and mutual telephone company or association, or cooperative telephone district which company, association or district does not own and operate, directly or indirectly, any switchboard exchange facilities, shall be deemed a public utility under or for the purposes of this Act." This amendment would have placed mutual and cooperative telephone companies which are presently exempt under the jurisdiction of the Public Utilities Commission. Both S.B. 64 and S.B. 65 were opposed by REA borrowers in Oregon and they were instrumental in the defeat of these bills.

C. Collateral

Enacted:

Safety Regulation - S.B. 378, approved May 11, Chap. 505, authorizes the State Industrial Accident Commission to assist in enforcing rules and regulations applicable to the installation, maintenance, etc. of electric lines, and to enforce regulations of the Public Utilities Commissioner.

Corporation Law - S.B. 20, approved February 6, Chap. 21, amends Section 77-211, O.C.L.A., relative to the adoption of supplementary articles of incorporation, and Section 77-235, relative to dissolution.

People's Utility Districts - H.B. 141, approved April 10, Chap. 259, amends Section 114-245, O.C.L.A., relating to powers, and Section 114-256, O.C.L.A., relating to the issuance of bonds.

1951 Utah Legislation - Final Report
Regular Session: January 8 to March 8, 1951
Special Session: June 4 to June 16, 1951

A. Affirmative

No legislative program was undertaken by REA borrowers in Utah. A recommendation was made for the consideration of a bill to eliminate some of the problems which have arisen in connection with meeting the present statutory requirements with respect to chattel mortgages given to REA by its borrowers. The law presently authorizes the County Recorder to remove and destroy all chattel mortgages which have been on file for 10 years or more. This requirement makes it necessary that new mortgages be taken at 10 year intervals through the life of a loan to an REA borrower. It was recommended that Section 13-0-17 of the Utah Code, 1943, be amended to provide that it shall not be applicable to chattel mortgages given to the United States. In order to remove the doubt as to the validity of the after-acquired property provisions contained in REA mortgages, due to the absence of statutory recognition of such provisions, the recommended bill contained a second section which would have added Section 18-6-17, to the Utah Code, 1943, to specifically recognize the after-acquired property provisions presently contained in the mortgages given by nonprofit corporations. This bill was not introduced.

B. Defensive

No bills adversely affecting the rural electrification or rural telephone programs were introduced.

C. Collateral

None.

1951 Washington Legislation - Final Report
Regular Session: January 8 to March 8 (19), 1951
Special Session: March 27 to April 5, 1951
Special Session: August 24 to September 1, 1951

Governor's Message

The following excerpts are from the January 10, 1951 message of Governor Arthur B. Langlie to the Thirty-Second Session of the Washington Legislature:

"At the last regular session of the legislature, H.B. 561, Chapter 227, Session Laws of 1949, was passed, setting up among other things a State power commission. Since that time this law has been before the courts concerning its constitutionality, and on Friday of last week a decision was rendered by the Supreme Court upholding the law. I deferred appointing the members of the Commission until this determination had been made, and plan to activate this Commission soon. I firmly believe that such a commission can be of real assistance in bringing a closer working relationship between private power companies and public agencies in the generation and marketing of electric energy.

"I am confident there is a place for the State in the field of power supply. A power commission can help to maintain low cost power and give some assurance that sufficient power will be available in low water years to supply much of the requirements of industry and commerce. A State power commission can be of real value in coordinating the several elements of power supply, thus assuring our public utility districts and municipalities sufficient electric energy to serve the new demands for power within their particular areas.

"Standby Generating Plants

"It may be desirable, in the protection of both private and public power distributors against power deficiencies, to erect standby steam generating plants. Plans are under discussion to distribute a portion of the annual costs over the total electric energy consumption of the State. Under such a plan the charges would be relatively insignificant yet sufficient to enable the State to finance by revenue bonds such plants as are needed, and great benefits would accrue to all power distributing agencies and the public as well.

"A bill to clarify the present act is being prepared for submission to you. It will accomplish the proposals made. I believe it will receive the wholehearted support of leaders in the power field of our State, both public and private. It will supplement the efforts now being made to insure an adequate power supply, and, at the same time, assure for us the great industrial growth that is ours if abundance of low cost power is available.

"I urge your support of the bill which can, if proceeded on promptly, help alleviate power shortage in the near future and support public leadership of resource development."

A. Affirmative

Mortgages - A recommendation was made to the Washington Rural Electric Cooperative Association to consider sponsorship of a bill clarifying some of the statutory requirements relating to chattel mortgages. Under present law an affidavit of good faith is required to be executed by the mortgagor and filed with chattel mortgages. The statutes also require that chattel mortgages be acknowledged and filed within 10 days from their execution. A bill to amend Section 3780, Remington's Revised Statutes, to exempt mortgages given to the United States from the above requirements was submitted to the State association. It also included provisions amending Chapter 6, Title 25, relating to nonprofit corporations, to recognize the validity of after-acquired property provisions in mortgages given by such corporations. However the State association decided against the sponsorship of this legislation.

B. DefensiveFailed:

Cooperative Corporations - Acquisitions - H.B. 32, died in House, would have authorized cooperative and mutual nonprofit corporations to acquire private corporations operating as public utilities after receiving permission to do so from at least 60% of their membership. The bill would also have required the purchaser and seller to obtain permission from the Public Service Commission before consummating the proposed sale and purchase of the public utility. It would also have provided that, after purchase by the cooperative or mutual nonprofit corporation, the property purchased would no longer be subject to the supervision and regulation of the Public Service Commission.

Electrical Administrative Commission - H.B. 29, passed House, died in Senate, as originally introduced, would have provided for the regulation of the electrical industry; created an electrical administrative commission; authorized the establishment of minimum standards for the installation of electrical wiring, equipment, etc.; provided for the licensing of electrical contractors and electricians; required the issuance of permits and the inspection of electrical installations, etc. As the bill passed the House it was amended to provide for the licensing and examination of electrical contractors and electricians.

S.B. 301, died in Senate, would have provided for the regulation and inspection of electrical wiring installations and required permits for such installations to be issued by the division of electrical inspection of the Department of Labor and Industries.

Electrical Appliances - Sales - H.B. 414, died in House, would have provided for the regulation of the retail sales of electrical appliances and equipment and would have required the registration of all dealers in such merchandise.

Taxation - Public Utility Districts - S.B. 368, died in Senate; H.B. 254 (same as S.B. 368), died in House, would have amended Sections

54.07.01 and 54.07.02, Revised Code of Washington, relating to the levy of a privilege tax on public utility districts by providing for the levy of an additional tax where the amount of the tax is less than the amount collected on such property during its last full year in private operation.

Consumers of Electrical Power - License Fee - S.B. 441, died in Senate, would have amended Section 43.52.220, Revised Code of Washington, to provide for the imposition of a license fee "upon all ultimate users or consumers of electric power and energy" amounting to one-half of one percent of all bills and charges payable by such users. The revenue from this license fee was to be used to pay for the cost of acquiring, constructing, improving, enlarging and extending the electric plants and facilities operated by the State Power Commission.

C. Collateral

Enacted:

Columbia River Compact - H.B. 217, approved March 13, Chap. 113, creates interstate compact commission, to represent the State on a commission representing the States of Idaho, Montana, Nevada, Oregon, Utah, Washington and Wyoming to negotiate a compact relating to the waters of the Columbia River and its tributaries. (See Idaho H.B. 52 and Montana H.J.R. 6 for similar action.

Public Service Commission - S.B. 55, approved March 20, Chap. 260, creates a Public Service Commission.

Failed:

Federal Power Lines - H.J.M. 3 (S.J.M. 8, companion memorial) petitions the President and Congress that no funds be appropriated for inter-connecting power lines between the Pacific Northwest and California.

1951 Arizona Legislation - Final Report
Regular Session: January 8 to March 17, 1951
Special Session: June 25 to June 29, 1951

A. Affirmative

Enacted:

Electrification - 24,9/14.4 KV Construction - Clearance Requirements - Exception to NESC - H.B. 63, amends Section 53-477, Arizona Code of 1939 to permit minimum clearances over ground or rails to be determined by the voltage between wires and ground (if the voltage does not exceed 15 KV) where Y-connected circuits with neutral conductors effectively grounded throughout their length are used. This bill, which amends the Electric Cooperative Act was introduced by Rep. Cook of Willcox and Rep. Morris of Bisbee at the request of Mike M. Bennett for the Arizona Statewide Association. The act was approved by the Governor on March 15, 1951, Chapter 69, Laws of 1951 and became effective on June 17, 1951.

Nevada Power Supply - Littlefield, Arizona - At the request of the people of Littlefield, H.J.M. 1, a joint memorial requesting the Nevada legislature to enact legislation permitting nonprofit organizations to transport electric power over territory of the State of Nevada into the State of Arizona, was introduced, adopted and approved by the Governor on February 9, 1951. The memorial points out that Littlefield, Ariz. and Mesquite, Nev. are contiguous towns in the Virgin Valley and that they are one community though divided by a State boundary line. The memorial states that "under the existing laws of the State of Nevada by which revenue is obtained for granting the privilege of transporting electricity over territory of the State of Nevada by nonresident organizations to points outside the State, the people of Littlefield are unable to transport their allotted electric power from Hoover (Boulder) Dam as can their neighbors in Mesquite, but can do so only at exorbitant if not prohibitive cost to themselves. Elsewhere, rural electrification associations are permitted to extend their facilities over state lines and even across the Canadian border without discrimination, though chiefly serving nonresidents."

The REA cooperative at Littlefield (Arizona 16 Mohave) has been experiencing a great deal of difficulty for a number of years in obtaining an adequate source of power for its members. It has tried unsuccessfully to have Hoover Dam power wheeled over transmission lines located in Nevada and owned by the Lincoln and Overton Power Districts. It has failed in these efforts because the Nevada Power Districts feared that by doing so they would lose certain tax exemptions to which they are presently entitled. In this connection, legislation was introduced to amend the Power District Act to permit the Districts to transmit power beyond state boundaries, but failed of enactment. (See Nevada "Affirmative" A.B. 274.)

B. Defensive

No bills adversely affecting the rural electrification and telephone programs were introduced.

C. CollateralEnacted:

Utility Investigations - H.B. 173, approved March 6, 1951, Chapter 19, makes a supplemental appropriation of \$50,000 to the Corporation Commission, to be available for the carrying out of public utility investigations and hearings. The funds are to be available for the employment of rate experts, accountants, engineers and attorneys in connection with electrical, gas, telephone and water utility investigations and hearings before the Arizona Corporation Commission and before the Federal Power Commission and Federal Communications Commission.

Contractors Licensing - H.B. 120, approved March 14, 1951, Chapter 55, repeals and rewrites Sec. 67-801 to 67-816, Arizona Code, 1939 relating to the regulation of the business of contracting by providing for the licensing and registration of contractors. The act establishes and defines three classifications of the contracting business - general engineering contracting, general building contracting, and specialty contracting. Exemptions from the provisions of the act are extended to representatives of the United States, State of Arizona, and local governments and political subdivisions. Administration of this act is placed in the office of Registrar of Contractors.

Corporate Existence - Renewal - H.B. 176, approved March 27, 1951 and effective June 26, 1951, amends Section 53-304, Arizona Code, 1939 relating to the term and renewal of existence of corporations by providing that corporation charters may be renewed before their date of expiration or within five years thereafter by appropriate corporate action. The act provides that charters which have been thus renewed prior to the effective date of this act shall be valid.

Failed:

Use Tax - S.B. 37, died in Senate, would have provided for the imposition of an excise tax on the storage, use or other consumption in this State of tangible personal property. Under Section 3 of the bill the tax to be imposed upon the "storage, use or other consumption of 'electricity, electric lights, current, power or gas' shall be at the rate of one percent of the sales price." Section 4 provided for an exemption from tax of "all equipment or facilities (including repair parts and replacements therefor) used in generating, transmitting, or distributing electric power or gas, and fuel, procured for use or consumption in generating electric power."

Corporation Commission - Revolving Fund - S.B. 114, died in the Senate, would have amended Section 53-110, Arizona Code, 1939, to provide for the establishment of a revolving fund to be available to the Corporation Commission for the payment of expenses incurred in the supervision and regulation of electrical, gas, telephone and water companies.

Corporation Commission - Appeal from Orders - H.B. 259, died in House, would have amended Section 69-249, Arizona Code, 1939, relating to actions to set aside orders of the Corporation Commission by requiring the submission of certified transcripts of the records of the commission pertaining to the disputed order.

Corporation Commission - Hearings and Investigations - H.B. 275, died in House, would have amended Section 69-238, Arizona Code, 1939, relating to hearings and investigations of the Corporation Commission by providing that no franchises shall be granted or modified without the holding of a public hearing in the county or counties whose residents would be affected. The bill would have required the giving of at least 10 days public notice of such hearings and would have voided any commission action which failed to comply with this requirement.

Corporation Commission - Investigation - H.R. 7, indefinitely postponed in the House, March 8, 1951, would have created a committee of five members from the House of Representatives to conduct an investigation of the Arizona Corporation Commission.

Public Service Corporations - H.B. 201, died in House, would have amended Section 16-604, Arizona Code, 1939 by providing for the purchase by a municipality of the properties of a public service corporation located in the territory proposed to be served by the municipality, and for the payment of just compensation for such property.

Taxation - Public Utilities - H.B. 124, died in House, would have provided for placing the jurisdiction for tax assessment of the properties of public utilities in the State tax commission. It would have required the filing of annual reports and provided for the disposition of the assessment among the several counties, cities, and taxing districts.

Plumbing Regulation - H.B. 246, died in House, would have provided for the regulation and certification of plumbers by the State Department of Health.

1951 New Mexico Legislation - Final Report
Session: January 9 to March 10, 1951

A. Affirmative

Failed:

Taxation - Rural Electric Cooperatives - H.B. 179, passed House, died in Senate, was prepared and sponsored by the New Mexico State Association. It provided for property tax assessments by the State Tax Commission of each rural electric cooperative on the basis of 50% of its annual gross receipts in the same relationship that the total mileage of its energized transmission and distribution lines within the State bears to the total energized mileage of such lines wherever situated. Section 5 of the bill further provided rural electric cooperatives with exemption from all other taxes. The State Association considered that the provisions of this bill were most satisfactory for the handling of the tax problems of the New Mexico rural electric cooperatives. The bill was reported out of the House Judiciary Committee with a number of amendments designed to eliminate any participation by County Assessors. The bill passed the House but failed to pass the Senate.

Rural Electric Cooperatives - Trustees - H.B. 170, passed House, died in the Senate, would have amended the New Mexico Rural Electric Cooperative Act by providing for the method of nominating trustees, viz that trustees be nominated at least twenty days before the date set for a regular or special meeting and that such nominations may be made by either nominating committees or by petition. However, in the absence of nominations made by the above procedure, they may be made from the floor of the meeting. This bill was sponsored by the New Mexico Rural Electric Cooperative Association to forestall attempts to have the bylaws of several of the rural electric cooperatives changed to eliminate all nominations of trustees except those made from the floor during a meeting of the members of the cooperative. A revision of this bill, to correct several inconsistencies with existing law and to conform to good cooperative practice, was prepared and sent to the State association. However the bill failed of passage.

B. Defensive

No bills adversely affecting the rural electrification and rural telephone programs were introduced.

C. Collateral

Enacted:

Canadian River Compact - H.B. 23, approved February 7, Chap. 4, ratifies the compact between New Mexico, Texas and Oklahoma respecting the waters of the Canadian River Basin. (See Oklahoma S.B. 105, Texas H.B. 63 on same subject.)

Governmental Utility Service - S.B. 279, approved March 16, Chap. 211, authorizes towns and villages to sell electricity or natural gas to the United States or State government branches more than 5 miles from city limits. Sales were previously generally limited to a distance of 5 miles from the city limits.

Tax Assessments - Public Utilities - Contractors - S.B. 210, approved March 13, Chap. 111, amends Section 76-502, 1941 Comp. Laws, to provide for assessment by the State Tax Commission of property of all non-exempt utilities and of machinery, equipment and personal property in the State of all contractors using same in more than one county.

Failed:

Highway Crossings - H.B. 297, would have regulated pole lines crossing streets and highways.

Licensing of Contractors - S.B. 51, died in Senate, would have repealed Sections 51-2201 to 51-2218, the "Electrical Contractors Licensing Law".

S.B. 52, died in Senate, would have repealed Sections 51-1901 to 51-1919, the "Contractors Licensing Law".

S.B. 50, died in Senate, would have repealed Chapter 145, Laws 1949, establishing the State Plumbing Administrative Board.

S.B. 180, killed in Senate, would have established a board of construction industry standards, taking over regulatory and licensing functions of contractors, plumbing and electricians boards.

Registration of Engineers and Surveyors - H.B. 293, killed in House, would have established a state board for the registration of engineers and surveyors.

S.B. 158, died in Senate, would have established qualifications for registration of engineers and land surveyors.

S.B. 264, vetoed by Governor on March 16, would have revised standards for professional engineers and surveyors practicing in New Mexico.

Public Utilities Commission - S.B. 14, died in Senate, would have repealed Chapter 72, Arts. 3-11, 1941 Comp. Laws, and abolished the Public Utilities Commission.

S.B. 48, died in Senate, would have repealed Chapter 72, Arts. 3-11, 1941 Comp. Laws, and transferred the powers and duties of the Public Utilities Commission to the State Corporation Commission.

1951 Texas Legislation - Final Report
Session: January 9 to June 8, 1951

A. Affirmative

Bills amending the 1950 Telephone Cooperative Act to permit service in non-rural areas where required for rural service, and to delete burdensome conditions imposed on construction on public lands and thoroughfares, and the Electric Cooperative Corporations Act to permit foreign cooperatives to qualify thereunder, were considered by the Texas Power Reserve Electric Cooperative but were not introduced. A bill to amend Chapter 228, Acts 1949, to eliminate the 22-foot clearance requirement for lines crossing highways or roads, to provide an exception from the National Electrical Safety Code with respect to clearance requirements for 24.9/14.4 KV lines, and to delete the 10 year limitation on operation and maintenance of lines in unincorporated places which subsequently incorporate, was also considered but not introduced.

B. Defensive

No bills adversely affecting the rural electrification and rural telephone programs were introduced.

C. Collateral

Enacted:

Recordation of Mortgages - S.B. 68, approved May 17, Chap. 195, eliminates the necessity for dual recording as real estate and personal property mortgages of commercial power corporations of mortgages, deeds of trust and other security instruments. Amendment of the bill to extend its provisions to REA borrowers was recommended to the State association but the bill had already been enacted into law. (H.B. 194, same as S.B. 68, died in House.)

Municipal Utility Bonds - S. B. 299, approved May 11, Chap. 167, validates all revenue bonds issued by cities or towns of 5,000 or less population for the purpose of acquiring an electric light and power system.

H.B. 40, approved March 17, Chap. 23, amends Art. 1111b, Sec. 1, Vernon's Ann. Civ. Stats., to authorize cities and towns to issue additional revenue bonds for improving and extending electric light and power systems, etc. (S.B. 40, same as H.B. 40, died in Senate.)

Canadian River Compact - H.B. 63, approved May 10, Chap. 153, approves and adopts the Canadian River Compact with New Mexico and Oklahoma. (S.B. 50, same as H.B. 63, died in Senate; see New Mexico, H.B. 23 and Oklahoma, S.B. 105 on same subject.)

Sabine River Authority - Compact - H.B. 413, approved June 21, Chap. 482, authorizes the Sabine River Authority to negotiate a compact with the State of Louisiana regarding the waters of the Sabine River watersheds. (Legislation on this subject enacted in Louisiana in 1950, H.B. 501, Act 260; however, H.B. 503, Act 562, which proposed a constitutional amendment authorizing the creation of a Sabine River Authority was defeated at the polls.)

Lower Rio Grande Authority - H.B. 541, approved June 1, Chap. 309, establishes the Lower Rio Grande Valley Authority, with authority, among other things, to develop, generate, or otherwise acquire electric power and to transmit, distribute and sell same within or without the boundaries of the Authority.

Failed:

Lower Colorado River Authority - S.B. 430 and H.B. 759, would have included Lee County in the Authority area.

Surface Water Code - H.B. 7, died in House, and S.B. 28, passed Senate, died in House, would have established a comprehensive State Surface Water Code.

Plumbing Regulation - H.B. 115, died in House, would have authorized the State Board of Health to establish a code of minimum plumbing standards; and amended the laws creating a Board of Plumbing Examiners and providing for the licensing of plumbers and the regulation of plumbing.

Telephone Rates - H.B. 457, died in House, would have provided for the regulation of intrastate long distance toll rates and telephone service, giving certain powers to the Railroad Commission and preserving regulatory powers over exchange telephone rates in incorporated cities and towns.

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